**Michigan Department of Natural Resources Mission Statement**

"The Michigan Department of Natural Resources is committed to the conservation, protection, management, use and enjoyment of the State's natural resources for current and future generations."

**Natural Resources Commission Statement**

The Natural Resources Commission (NRC), has the exclusive authority to regulate the taking of game and sportfish, and is authorized to designate game species and authorize the establishment of the first open season for animals. The NRC holds monthly, public meetings throughout Michigan, working closely with its constituencies in establishing and improving natural resources management policy.


If you believe that you have been discriminated against in any program, activity, or facility, or if you desire additional information, please write: Michigan Civil Service Commission – Quality of Life Human Resources, PO Box 30028, Lansing MI 48909-7528, or Michigan Department of Civil Rights, Cadillac Place, 3054 West Grand Blvd, Suite 3-600, Detroit, MI 48202, or Division of Federal Assistance, U.S. Fish and Wildlife Service, 4401 North Fairfax Drive, Mail Stop MBSP-4020, Arlington, VA 22203.

For information or assistance on this publication, contact Grants Management, Michigan Department of Natural Resources, PO Box 30425, Lansing, MI 48909-7925.

This publication is available in alternative formats upon request.

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INTRODUCTION

Congratulations! You are most likely reading this booklet because your community has been recommended by the Michigan Natural Resources Trust Fund Board of Trustees for a grant to assist you in the purchase of land or rights-in-land for its recreational, aesthetic, and/or resource protection value. We have developed this booklet to help guide you through the steps necessary to complete your acquisition, either through the escrow closing process or through the reimbursement process.

Because the procedures were revised, we strongly recommend that you read this booklet in its entirety before you begin your project.

We realize that the acquisition process is complicated and, depending on your past experience with the program, some of the tasks may be unfamiliar to you. Grants Management staff within the Department of Natural Resources (DNR) is available to assist you as you work your way through the process. Your Regional Grant Coordinator is the first contact you should make when you have questions regarding the process and is the staff person to whom you should address all correspondence.

Our general address and telephone numbers are as follows:

GRANTS MANAGEMENT
MICHIGAN DEPARTMENT OF NATURAL RESOURCES
PO BOX 30425
LANSING MI 48909-7925
On the web at: www.michigan.gov/dnr
Telephone: 517-284-7268
FAX: 517-335-6813
MiRecGrants: https://secure1.state.mi.us/MIRGS/Login2.aspx?APPTHEME=MIDNR

Go to www.michigan.gov/dnr and “Sign up for email from the DNR” to receive updates on various DNR topics.

The land acquisition procedures of the Michigan Natural Resources Trust Fund (MNRTF) are based on the policies of the MNRTF Board of Trustees, the policies and procedures of the Department of Natural Resources, the Natural Resources and Environmental Protection Act (1994 PA 451) and other state laws and regulations. All projects approved for an acquisition grant must meet the following requirements, which are more fully explained in the following chapters of this booklet:

- **Exclusive use of the property for public, outdoor recreation purposes.** Land acquired with MNRTF assistance and any recreation facilities on that land, as well as land and water access ways, must be open to the general public and maintained for public outdoor recreation in perpetuity (Board Policy 94.1).

- **Willing seller.** The MNRTF operates under the principle of willing seller/willing buyer and does not participate in the acquisition of land through eminent domain. All aspects of the sale must be voluntary on the part of the landowners (Board Policy 00.3).

- **Clear title to the property.** Properties purchased with grant assistance must be free from restrictions such as liens, easements, encumbrances, leases, covenants, reverter clauses, and use restrictions that will impact recreational or resource protection value. In addition, any encroachments or boundary disputes with neighboring landowners must be resolved to the satisfaction of the DNR prior to appraisal.

- **Mineral rights.** You are expected to acquire and retain mineral rights with surface rights when purchasing property with MNRTF assistance. When the property is over five acres in size, we require you to deed the DNR a non-participating minimum 1/6th overriding royalty interest in all acquired mineral rights.

- **Environmental safety.** The MNRTF will not assist in the purchase of property that contains a level of contamination that would cause the property to be unacceptable for its planned development and use or that would have an unacceptable negative impact on the overall public recreation and/or resource protection values of the site (Board Policy 93.1).
CHAPTER 1: PROJECT RECOMMENDATION AND PREPARING FOR THE PROJECT AGREEMENT

Each year the Michigan Natural Resources Trust Fund Board recommends a list of projects for funding; however, their recommendations must be reviewed and approved by the Legislature and funds appropriated to the DNR before a grant is considered approved. After a bill containing the recommended projects is passed by the Legislature and signed into law by the Governor, it takes another 30 to 60 days before funds are available to the DNR for allocation. At that time, we will issue a project agreement to you.

PREPARING FOR THE PROJECT AGREEMENT

When you receive notification from the DNR informing you that your project has been recommended for funding, this means that the Michigan Natural Resources Trust Fund Board has recommended your project for funding. However, a formal grant offer is not final until funds have been appropriated by the State Legislature and issuance of a Project Agreement. This process can take three to six months after you receive notification of recommendation. While the bill to appropriate the funding for your project is still waiting for Legislative approval, you will receive notification from our office granting approval to begin due diligence and a 40-year title search. Completing these steps while you are waiting for your project agreement will help ensure timely completion of your project. However, these and any other costs you incur before executing a project agreement will be considered an eligible cost only if the Legislature appropriates the funds and you complete the project in accordance with DNR procedures.

1. **Prepare a legal description and boundary map of the project area.** The project area identified in the legal description and shown on the boundary map defines the property you intend to acquire with grant assistance.

   The legal description defines the park or geographic area to be developed with grant assistance.

   It can be an excerpt from the original deed to purchase the property or a formal survey, but in either case, it must match the boundary map. If any portions of the project area are to be excluded due to non-recreation uses or otherwise, the legal description must reflect these deletions and describe only the actual project boundary. Label the Legal Description page with the community name, project name and grant number.

   The boundary map of the “project area” must be **outlined in RED, signed and dated**. If you would like to do so, please contact your Grant Coordinator to ask if the map submitted with the application is acceptable. If the project area is less than the parcel or different from the area proposed in the application, you must receive approval of the DNR prior to execution of the Project Agreement.

   The following must be included on the boundary. See Appendix A for an example.

   - Clearly labelled “Boundary Map”.
   - The project boundary area must be outlined in red and easements must be outlined in green.
   - Dimensions of the boundary lines.
   - A north arrow.
   - Community name.
   - Project name and grant number.
   - Name of County.
   - Permanent landmarks such as streets and water bodies as well as adjacent land uses clearly labelled.
   - Signed and dated by the authorized representative of the grantee.

2. **Documentation of secure funding for the acquisition.** For an escrow closing, you will need to provide documentation that you have funds available for your match amount plus 10 percent of the grant amount. For reimbursement after closing, you will need to provide 100% of the funds required to complete the purchase (prior to requesting reimbursement). You will be asked to provide advance documentation to show that you have the required funds on hand or can readily obtain them.
3. **Environmental Due Diligence.** Under Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, a property is termed a “facility” if it is contaminated by any hazardous substance measured in the soil or groundwater at a level above the state’s cleanup criteria for residential property, which are the state’s most protective cleanup criteria. If a property is determined to be a facility, there are steps you must take to protect future users of the property, and to protect yourself from liability. The appropriate inquiry as to whether environmental contamination is present on a property is often termed “due diligence.”

Much of the following information on due diligence is taken from the “Part 201 Citizen’s Guide,” available on the Department of Environmental Quality (DEQ) website at [www.michigan.gov/deqrrd](http://www.michigan.gov/deqrrd). We strongly recommend that you contact the Remediation and Redevelopment Division at your local DEQ office to obtain the most current information. For office locations and additional information, see the DEQ website or call 517-284-5087.

**Environmental assessments costs:** Up to five percent of the market value of the property and including those costs incurred prior to execution of a project agreement, are eligible for reimbursement if the project is completed and the cost can be covered by the awarded grant amount. The cost of cleanup actions needed to make a property safe for recreational use and to comply with state law is not reimbursable under the MNRTF program.

The DNR Grants Management staff does not approve the results of your due diligence or make any determination as to its adequacy, but rather, determines whether you have submitted the appropriate documentation for the amount of inquiry you have chosen to undertake. The determination that a property is or is not a facility must be made solely by you, the grant applicant. If you are submitting documentation to the DNR for review prior to having an executed project agreement, it must be e-mailed to your grant coordinator and once the project agreement is executed it must be uploaded in MiRecGrants by the Grantee. The typical DNR review time is 30 days.

a. The initial step of due diligence is to interview the landowner and/or other knowledgeable persons about any known environmental conditions on the property. Section 16 of Part 201 requires a person who has knowledge that their property is a facility to disclose that information to prospective purchasers prior to its sale. We also strongly recommend that you walk through the property to look for obvious signs of potential contamination (for example, abandoned tanks or containers, stained soils, or stressed vegetation).

- **The property is not a facility** - If, based on the information you gather, you believe it is reasonable to conclude that the property is not a facility; you may decide to end your inquiry at this point. However, you will want to be sure that you acquire accurate information on the use of the property far enough into the past so that you are comfortable with making this determination. Submit to Grants Management a summary of the information you have gathered, along with a statement (signed by you, the grant applicant, not your environmental consultant) that you have determined, based on the information gathered, that it is reasonable to conclude that the property is not a facility, as defined in Part 201 of 1994 PA 451, as amended.

- **Unable to determine if the property is a facility** - If you cannot or do not want to make a decision on the contamination of the site based on information from the owner or other persons knowledgeable about the site, the next step of due diligence is to conduct an environmental site assessment (ESA) of the property. The American Society for Testing Materials Phase I and Phase II ESAs (ASTM E1527 and E1903) or equivalent can be used. You will need to hire an environmental consultant to conduct these assessments, unless you have appropriately trained staff available to you.

b. **The Phase I ESA** - includes a review of regulatory agency files, historical maps, and past uses to evaluate the potential for contamination on the property. A walk-through of the property is performed to identify potential contamination sources. The Phase I report concludes with a list of these potential contamination sources, which are termed Recognized Environmental Conditions (RECs).
• **Property is not a facility** - If, based on the results of the Phase I ESA and the recommendations you receive from your environmental consultant, you believe that it is reasonable to conclude that the property is not a facility; you may decide to end your inquiry at this point. Submit to Grants Management a copy of the Phase I ESA report, along with a statement (signed by you, the grant applicant, not your environmental consultant) that you have determined, based on the information gathered, that it is reasonable to conclude that the property is not a facility, as defined in Part 201 of 1994 PA 451, as amended.

• **Unable to determine if the property is a facility** - If you cannot or do not want to make a decision on the contamination of the site based on the information gained from the Phase I ESA or RECs are identified in the Phase I ESA, a Phase II ESA must be conducted to assess whether or not contamination exists at the property.

c. **The Phase II ESA** - involves further investigation into the RECs, including the collection of soil and/or groundwater samples, determining if underground tanks are present, and identifying abandoned containers and their contents. The concentration of hazardous substances found at the property is compared to the DEQ’s residential criteria. If any hazardous substance exceeds one or more of the cleanup criteria, the property is determined to be a facility.

• **The property is not a facility** - If, based on the results of the Phase I and II ESA and the recommendations you receive from your environmental consultant, you believe that it is reasonable to conclude that the property is not a facility, submit to Grants Management copies of the Phase I & Phase II ESA reports, along with a statement (signed by you, the grant applicant, not your environmental consultant) that you have determined, based on the information gathered, that it is reasonable to conclude that the property is not a facility, as defined in Part 201 of 1994 PA 451, as amended.

• **The property is a facility** - If, based on the results of the Phase I and Phase II ESA reports and the recommendations you receive from your environmental consultant, you believe that the property is a facility, you will need to conduct further assessments. Generally, the scope of these further assessments must provide for the identification of the nature and extent of contamination at the site so that appropriate “due care” compliance measures (required by Section 7a of Part 201 and described further in chapter 2) can be determined. Submit to Grants Management copies of the Phase I and Phase II ESA reports, along with a statement telling us whether you wish to continue with this acquisition using grant assistance.

d. **Response Activity Plan (RAP) and Baseline Environmental Assessment (BEA)** - If, based on the results of due diligence, you have determined that the property is a facility and we have approved you moving forward with a grant-assisted purchase, you are required to prepare a BEA as provided for in Part 201 of the Natural Resources and Environmental Protection Act (1994 PA 451, as amended) and an RAP. You must submit the BEA and RAP to your local DEQ office.

Notify the DNR when you submit your RAP to the DEQ. Once you receive a written determination from DEQ that the RAP is adequate, submit to the DNR:

1. A copy of the written determination from the DEQ that RAP is adequate.
2. A timetable for completion of the due care activities.

**DEQ Approval of the RAP** – If the DEQ approved the RAP which indicates that the presence of contamination will not significantly reduce the overall use and value of the property for public recreation and resource protection and it can be determined that due care activities will not significantly delay the completion of the acquisition and development of the site, we will provide you with written approval to proceed with the project.

**DEQ Does Not Approve the RAP** - If the DEQ does not approve the RAP which indicates that the presence of contamination will significantly reduce the overall use and value of the property for public recreation and resource protection and/or it can be determined due care activities will significantly delay the completion of the acquisition and development of the site, we may ask that you withdraw the project from the program.
Further information on the requirements for the preparation and review of the BEA can be obtained by contacting the Remediation and Redevelopment Division at your local DEQ office. For office locations and additional information, see the DEQ website at [www.michigan.gov/deqrrd](http://www.michigan.gov/deqrrd) or call 517-284-6864.

4. **40-Year Title Search.** MNRTF grantees are required to obtain fee simple title (or easement in some cases) to the entire project area. Such title must be generally free from restrictions such as liens, easements, encumbrances, leases, covenants, reverter clauses, or use restrictions. In order to determine what restrictions exist on the property, it is necessary to conduct a 40-year title search. If you are submitting documentation to the DNR for review prior to having an executed project agreement, it must be e-mailed to your grant coordinator and once the project agreement is executed it must be uploaded in MiRecGrants by the Grantee. The typical DNR review time is 30 days.

A copy of the Title Search Report prepared and signed by the title company and copies of the current deed(s) and all documents pertaining to the search must be submitted to Grants Management for evaluation. When purchasing a former railroad corridor, it is not necessary to submit copies of the original deeds acquired by the railroad company to assemble the corridor, unless they contain clauses that could potentially affect the recreation use of the property.

Submit for all properties, all licenses, leases, easements, and any other documents issued by the current or former property owners that transfer any right of control or use of any portion of the property. Grants Management will review these documents and make the following determinations:

- **a. Termination of Restrictions** - The restriction (lease, license, etc.) must be terminated prior to purchase because the rights it grants conflict with the public use of the affected area, as well as the remainder of the property for outdoor recreation;

- **b. Restrictions Remain with Removal of Affected Property or Value** - The restriction may remain on the property, but the affected portion of the property must be removed from the project area and/or its value deducted from the market value. For example, the DNR may approve a lease allowing the former landowner to remain on the site for an extended period of time (such as a life lease), but the market value of the property will be reduced to account for the loss of use of that portion of the property. In no case will a restriction be approved if it interferes with the immediate use of the remainder of the property for public outdoor recreation;

- **c. Restrictions Remain with Negligible Effect** - If the restriction is determined to have no negative effect on the project area or approved market value, it may be allowed to remain. Routine utility easements and pre-existing road rights-of-way usually fall into this category.

You must seek DNR approval if you want to place new restrictions on the land at the time of closing or afterwards. New restrictions must not contradict or supersede the terms of the project agreement or relinquish control of any portion of the project area.

Before the purchase is completed, you should also ask the landowner to keep you informed of any physical or legal changes to the property, such as placing new easements or leases, erecting new structures, removing or altering the natural resources on the property (such as timber harvesting), or any other change that may mean the acquisition would not meet MNRTF requirements.

5. **Appraisal.** Do not begin the appraisal until due diligence and a title search on the property have been completed and approved by the DNR and your project agreement has been executed by both parties. See Chapter 2 for details.
CHAPTER 2: EXECUTING THE PROJECT AGREEMENT

As explained earlier, when MNRTF grant funding is available, the DNR will issue a non-negotiable project agreement to you. The project agreement details the responsibilities of the grantee and the DNR in completing the project and maintaining it over time. Upon its execution, it is a legally binding and enforceable document.

Project agreements define the following:

- Timeframe for project completion, which is two years from the date the project (grant) is approved and funded by the DNR. This is referred to as the project period.
- Project area, which is the park or geographic area to be acquired with grant assistance.
- Maximum grant amount, which is that portion of eligible costs as determined by the grant percentage specified in the approved application.
- Closing option chosen by grantee: Two options are available for completing a land acquisition project. You will need to indicate on the project agreement whether you intend to:
  a.) Acquire the property using the escrow closing process, OR
  b.) Purchase the property (after DNR approval of the market value) with your own, donated, or borrowed funds and then request reimbursement after closing.
- Reimbursement requirements, including the deadline for submitting a final reimbursement request.
- Escrow closing requirements.
- Acquisition procedures, including a requirement that the grantee follow the procedures set forth in this booklet.
- Grantee’s obligation to ensure the project meets all local, state, and federal laws and regulations.
- Grantee’s long-term obligations, most importantly the obligation to keep the project area in public outdoor recreation use in perpetuity.
- DNR’s rights in response to violation of the project agreement, including termination of the agreement and requiring the grantee to repay grant funds received and/or to pay damages.

Within 90 days of issuance, you will need to complete and sign the project agreement and submit it with the following:

1. Boundary map of the project area (OUTLINED IN RED) – The authorized official or grantee’s representative should sign and date the map.
2. Legal description of the project area.
3. An official resolution of your local governing body accepting the terms of the project agreement and grant.

Please submit your project agreement, with all required signatures and attachments, within 90 days from the date you receive the document.

Once we receive the signed project agreement and all required materials, we can usually execute the document within two weeks. We will return one original of the agreement to you. It is important to note that the two-year project completion period begins on the date as indicated on the project agreement.

SUBMITTING A PROJECT AGREEMENT

The project agreement and required attachments must be submitted in MiRecGrants. The following are a couple of items of special note. Specific details on the legal description and boundary map are included in Section 1 and example Boundary Map and Resolution are included in the appendices.

Grantee’s Representative - The person designated as the Grantee’s Representative should be available to handle the day-to-day authority for the project and routinely interact with your Grant Coordinator. He or she does not need to be the same person who signs the agreement; however, they should be authorized to handle
all routine correspondence pertaining to project completion. They must be registered in MiRecGrants and added to the Grant document.

Resolution – The local governing body must pass a resolution accepting the terms of the agreement and to commit to the match. Sample language for the resolution is provided with the agreement and included in this booklet in Appendix B. The DNR will not execute the agreement without a proper resolution by the local unit’s governing body accepting the grant and committing to the local match and the terms of the agreement. The resolution must include the name of the project and the grant number. The resolution must be signed to verify its authenticity.

The following are steps to submit the project agreement in MiRecGrants.

1. Log into MiRecGrants.
2. Click on the blue “My Grants” tab and search for the grant you want to work on.
3. Click on the grant name (ex TF16-0001).
4. Click on “Project Agreement”.
5. Click on the link “Click Here to view the Project Agreement” under the title Project Agreement. Print the document.
6. Upload the following documents by clicking the Browse button, searching for the document in your files and click upload. Click the Save button at the top of the screen after each upload.
   a. Completed, signed and dated Signature Page of the project agreement. You do not need to upload the entire document.
   b. Certified resolution. Also enter the date the resolution was approved.
   c. Legal description of the project area (the area included in the project boundary map.
   d. Boundary map of the project area. See Section 1 and sample in Appendix A for details on what should be included on the map.
   e. If applicable the lease or easement for the project area.

7. Fill in the Grantee’s Representative Information. Save the page before moving on.

8. Once the page has been completed and saved without any systems errors, the Authorized Official can submit the “Project Agreement” to the DNR. Click on “Status Change”.

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**PROJECT AGREEMENT**

Click on the link below to print the Project Agreement.
[Click Here to view the Project Agreement]

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**Mail two (2) original, executed signature pages to:**

DNR-Grants Management
PO Box 35425
Lansing, MI 48909-7925

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**Upload Certified Resolution**

[15493-Project-Resolution.pdf]

**Approved by Resolution Date**

05/04/2015

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**Upload Legal Description of the Project Area**

[15493-Appendix-A-Legal-Description.pdf]

**Upload Boundary Map of the Project Area**

[15493-Appendix-B-Boundary-Map.pdf]

*(Boundary must be outlined in red. Boundary map must be signed and dated.)*

---

**Grantee’s Representative**

Name: Susan Homkohl
Title: Office Manager

Mailing Address: 395 Third Street, Manistee, MI 49660

Phone Number: (231) 723-4325
FAX Number: (231) 723-3717

E-Mail Address: aesmanistee@gmail.com

FEIN: 89-0503053

You must click the SAVE button at the top of this page before submitting information to DNR.
[Click here to access the page allowing you to submit.]
9. The Authorized Official will click “Apply Status” to change the status to Project Agreement Submitted.

10. The DNR has now received the submission and will review it. If the DNR requires revisions, you will receive a notification and will need to return to step 7. If the DNR has approved the Project Agreement, you will receive a notification.

EXECUTION OF PROJECT AGREEMENTS

Agreements are generally executed by the DNR within two weeks of the DNR receiving all the required materials. It is important to note that the two-year project completion timeframe (the project period) begins when the Project Agreement is issued. Project Agreements must be executed (by both parties) prior to incurring project costs with the exception of the 40-Year Title Search and Environmental Due Diligence. Delays in executing the Project Agreement will reduce the amount of time available for completion of your project.
CHAPTER 3: WORKING TOWARDS CLOSING THE PROPERTY

While you should have already taken some steps toward completing your project, you may begin this work in earnest once the project agreement has been executed. Once you have successfully completed the following steps and submitted satisfactory results and/or information to the DNR, you will receive approval to close on the property.

1. **Environmental Site Assessment (ESA) and Due Care.** At this point in the process, you should have already completed due diligence on the property and reported your determination to the DNR, as described in Chapter 1. See steps below for submitting Pre-Appraisal Documents.

2. **Title Search.** At this point in the process, you should have already completed the 40-year title search on the property and reported your determination to the DNR, as described in Chapter 1. See steps below for submitting Pre-Appraisal Documents.

3. **Appraisals.** Do not begin the appraisal until due diligence and a title search on the property have been completed and approved by the DNR and your project agreement has been executed by both parties. Please be aware that if you choose to obtain an appraisal prior to approval of the 40-Year Title Search, ESA and executed project agreement, the cost of that appraisal may not be eligible for reimbursement.

   The market value of the property you wish to acquire is to be determined through an appraisal conducted by a **certified general appraiser**, following the standards and guidance given in Appendix C. However, not all certified general appraisers are qualified to appraise all types of property. Most appraisers work primarily on the valuation of residential properties and may not have much experience appraising forest land, lake or river frontage, wetlands, former railroad corridors or other types of non-residential properties. You will want to choose a certified general appraiser who has experience appraising the type of property that you are purchasing. **The appraisal report standards must be given to the appraiser, who must sign, date and return the acknowledgment with the completed appraisal report.**

   You are strongly encouraged to contact Grants Management for a list of certified general appraisers who have had an appraisal approved by the DNR. You are not required to select an appraiser from this list and choosing an appraiser from the list does not guarantee that the appraisal you commission will be approved. However, appraisers on the list have demonstrated their awareness of and ability to prepare appraisals using the DNR-required appraisal format and standards, which may lessen the time needed to complete the appraisal and to have it reviewed once submitted to DNR.

   **If a qualified person estimates the proposed acquisition parcel has a value of $750,000 or more, you will need to have two separate appraisals prepared.**

   Permission must be obtained from the landowner to have the property appraised. Each owner or a designated representative must be given an opportunity to accompany the appraiser and must certify on a **Statement of Just Compensation** form (see Appendix F) that he or she was given this opportunity.

   Submit one copy of each appraisal in MiRecGrants. The DNR’s Real Estate Services Section will review the appraisal(s) to determine the final market value. This process may take up to 90 days.

   Local units of government and appraisers should be aware that the official DNR review of the appraisal(s) may result in an opinion of market value that is different from the value concluded by the appraiser. This is addressed under USPAP Standards Rule 3.3. The Standards can be found online at [www.uspap.org](http://www.uspap.org).

4. **Non-Recreation Uses.** The project agreement requires you to eliminate all uses of the property other than public outdoor recreation within 90 days of the acquisition, unless you receive approval from the DNR to extend this deadline. Examples of non-recreation uses include agricultural uses, residences, and businesses. If you do not believe you can meet the 90-day requirement, please submit a written request for an extension. In your request, please describe the non-recreation use, provide justification for an extension, and propose a length of time.
5. **Existing Structures.** If there are any structures on the property, you must submit a written plan and schedule for their proposed use or removal. Existing structures should be removed or made ready for an appropriate use within 90 days after completion of the acquisition. Appropriate uses include nature centers, park office or maintenance buildings (that house staff or equipment for the project site only), and restroom buildings.

6. **Public Access.** The project agreement requires you to make the project area, its facilities, and any land or water access to them open to the public within 90 days of the date of acquisition and to keep them open to the public at all times on equal and reasonable terms. If you anticipate that you cannot meet the 90-day requirement, submit a written request for an extension, explaining why the extension is necessary, and a proposed length of time for the extension.

**SUBMITTING PRE-APPRAISAL DOCUMENTS**

Once you have an executed project agreement you can submit the pre-appraisal documents in MiRecGrants. Pre-appraisal documents include the 40-Year Title Search and Environmental Due Diligence. For expediency, while waiting for your project agreement, the pre-appraisal documents can be e-mailed to your Grant Coordinator for review. However, you will still be required to upload these documents once the project agreement is executed. Follow the steps below to submit the pre-appraisal documents.

1. Log into MiRecGrants.
2. Click on the blue “My Grants” tab and search for your grant by grant type only (ex. Grant Administration TF 2016).
3. Click on the grant name (ex. TF16-0001).
4. Click on “Related Documents and Messages”.

5. Click on Initiate a/an Property Acquisition (It will also include the corresponding year for that project. If you have a 2016 project, it will end in 2016.)

6. This action has created an Acquisition Document. Now that it has been created, you have a document number that is exclusive to this Acquisition document (ACQ). It will be in a format similar to this – ACQ-TF16-0001-012. If you leave this page and want to get back, after you log in, you can now click on the blue “My ACQ” tab and search for it.

7. Click on the name of the ACQ document (ex. ACQ-TF16-0001-012).
8. To begin completing the ACQ, click on “Required Pre-Appraisal Documents”.

---

**IC1908 (Rev. 11/28/2018)**
   a. Add Parcel Number(s) – This is a required field. If there is not a parcel number fill with zeros (ex. 00-00-000-000).
   b. Add owner’s name(s).
   c. Upload Environmental Site Assessment/Due Diligence.
   d. Upload 40-Year Title Search.
   e. Save after each upload, prior to navigating away from the page and before submitting the document.

REQUIRED PRE-APPRaisal DOCUMENTS

Instructions:
- Click Save button after each upload.
- Review Acquisition Guidelines Booklet here for more information on required documentation.
- To Upload Attachments:
  - Click the Browse button and search for the document.
  - Once selected, the path to the file will appear in the Document Source field.
  - Click the Save button.
  - New Upload bars will appear as files are added.
  - Maximum size per document cannot exceed 30MB.

NOTE: When the file is named to be uploaded, DO NOT leave any spaces, place a period between the words OR use any special characters, e.g. “.”, in the document name.

Attachments may be in Word, PDF, JPG, XL$ or GIF format.

Required Content for Pre-Appraisal Stage:
- Environmental Assessment/Due Diligence:
- 40 Year Title Search:

10. Once the page is complete without any system errors, the Authorized Official must submit the Pre-Appraisal Documents to the DNR. Click on “Status Changes”. Click on “Apply Status” under Pre-Appraisal Documents Submitted. This is how you will navigate to the status options throughout the acquisition process.

11. The DNR has now received the submission and will review it. If the DNR needs clarifications on the submission, you will receive a notification and will need to return to step 7. If the DNR has approved the Pre-Appraisal documents, you will receive a notification telling you to proceed with completing appraisal(s). Once you are prepared for submitting appraisal document(s) follow the Submitting Appraisal section.
**SUBMITTING APPRAISALS**

Appraisal documents are required to be uploaded in MiRecGrants. The typical DNR review time is up to 90 days.

1. Log into MiRecGrants.
2. Click on the “My ACQ” tab and search for the Acquisition Document.
3. Click on the Name of the acquisition document.
4. Click on “Required Appraisal Document”.
5. Upload the document, fill in the appraisal date box, and save the page.

**REQUIRED APPRAISAL DOCUMENT**

Instructions:
- Click Save button after each upload.
- Review Acquisition Guidelines Booklet [here](#) for more information on required documentation.

To Upload Attachments:
- Click the Browse button and search for the document.
- Once selected, the path to the file will appear in the Document Source field.
- Click the Save button.
- New Upload bars will appear as files are added.
- Maximum size per document cannot exceed 30MB.

**NOTE:** When the file is named to be uploaded, **DO NOT** leave any spaces, place a period between the words OR use any special characters, e.g. ".", in the document name. Attachments may be in Word, PDF, JPG, XLS or GIF format.

**Required Content:**

- **Appraisal Document:**
  - Choose File
  - No file chosen
- **Appraisal Date:**
  - * (*required)
- **Parcel Number:**
- **Owner/Seller:**

[Click here to access the page allowing you to submit.](#)

6. Once this page is complete without any system errors, the Authorized Official must submit the Appraisal Documents to the DNR. Click on “Status Changes”.

7. Click “Apply Status” under the Appraisal Submitted status option.

8. The DNR has now received the submission and will review it. If the DNR needs clarification on the submission, you will receive a notification to return to step 1. If the DNR has approved the Appraisal Document and market value, you will receive a notification telling you the approved market value of the acquisition property.
NOTIFYING THE DNR OF THE PROPOSED CLOSING DATE

Once you receive the notification of the Acquisition Market Value, please notify the DNR as soon as possible of the proposed closing date for acquisition of the property

1. Log in to MiRecGrants
2. Click on the “My ACQ” tab and search for the Acquisition Document.
3. Click on the Name of the acquisition document.
4. Click on “Proposed Closing Date for Acquisition of Property”.
5. Fill out the Grantee Proposed Close Date box and save the page.

PROPOSED CLOSING DATE FOR ACQUISITION OF PROPERTY

Instructions:
• Please insert the proposed closing date for this parcel(s)

Parcel Number: Owner/Seller:

Grantee Proposed Closing Date: *

6. Click on “Status Changes”.

7. Click “Apply Status” under Proposed Closing Date Submitted.
8. The DNR has now received the proposed closing date. Contact your grant coordinator if there are any changes to the closing date or purchase of the property.
CHAPTER 4: AMENDING THE PROJECT AGREEMENT

Sometimes it is not possible to complete an acquisition project as originally proposed or within the project period. In these situations, you may submit an amendment request for a project change. Requests should be submitted before the end of the project period.

If we approve your request, we will prepare an amendment to your project agreement reflecting the modified terms of the acquisition project. If the amendment modifies the project area, you will be required to prepare a revised boundary map and legal description to attach to the amendment.

CHANGING THE PROJECT AREA

It may not be possible to purchase the project area as described in the project agreement because:

- The landowner is not willing to sell or will not sell at the DNR-approved market value.
- The landowner has placed restrictions on the land so that it no longer meets MNRTF acquisition requirements.
- You have determined that acquisition of all the parcels within the project area is no longer appropriate based on changing conditions or needs.

If you have a reason to modify the project area, when you submit your amendment request include justification explaining the change, why the change is necessary, and its effect on the cost of the acquisition.

Requests to reduce the project area are critically reviewed by the DNR, especially when associated with higher than expected property values. The grantee is required to cover all cost overruns, and as such should not expect to be approved to acquire less land to compensate for higher than anticipated market values.

Requests to significantly reduce the acreage of your project area and all requests to acquire additional acreage may need approval from the MNRTF Board. Additional detailed guidance regarding project area changes can be found in Board Policy 00.1 and its implementation procedures, which can be obtained from Grants Management or from the DNR website at www.michigan.gov/dnr.

INABILITY TO PURCHASE MINERAL RIGHTS TO THE PROPERTY

When purchasing property with MNRTF assistance, you are expected to acquire the mineral rights along with the surface rights. However, at times the landowner does not own any or some portion of the mineral rights or refuses to sell them. In these situations, you will need to contact Grants Management in writing for approval to proceed with the acquisition. If the appraisal was completed with incorrect information on the rights to be acquired, the market value of the property will need to be reevaluated by your appraiser and an addendum to the appraisal submitted for DNR review.

EXTENDING THE PROJECT PERIOD

You may request an extension to your project period if, as you approach the end of the period, you do not believe that you will be able to complete all requirements and close on the property within the remaining time. Submit an amendment request with justification explaining why you need a time extension and when you believe you will be able to close on the property. Extensions will only be granted if you have made significant progress toward project completion and/or the reasons for delay are outside of your control.

SUBMITTING A PROJECT AGREEMENT AMENDMENT

Follow the steps below to request an amendment to your project agreement. If you are requesting an additional amendment wait until your first amendment has been processed. Then complete steps 1-6 as usual, then at step 7 click the “Add” button in the upper right-hand corner and follow the remaining steps.

1. Log into MiRecGrants.
2. Click on the blue “My Grants” tab and search for the grant you want to work on.
3. Click on the grant name (ex TF16-0001).
4. Click on “Status Changes”.

5. The Authorized Official will click “Apply Status” to change the status to Amendment Requested.

6. Click on “Forms Menu” and then click on “Project Agreement-Grantee Amendment Request”.

   Grant Administration-Trust Fund Menu - Forms
   Please complete all required forms below.

<table>
<thead>
<tr>
<th>Status</th>
<th>Page Name</th>
<th>Note</th>
<th>Created By</th>
<th>Last Modified By</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Project Agreement</td>
<td>Mr. David Meister</td>
<td>5/22/2015 9:56:37 AM</td>
<td>Mr. Steve DeBrabander</td>
</tr>
<tr>
<td></td>
<td>Project Agreement - Grantee Amendment Request</td>
<td>Mr. David Meister</td>
<td>4/23/2016 9:59:48 AM</td>
<td>Mr. David Meister</td>
</tr>
<tr>
<td></td>
<td>Project Agreement - Amendment Details</td>
<td>Mr. David Meister</td>
<td>4/23/2016 10:02:09 AM</td>
<td>Mrs. Tamara Jorkasky</td>
</tr>
<tr>
<td></td>
<td>Project Agreement Amendment</td>
<td>Mrs. Tamara Jorkasky</td>
<td>5/10/2016 2:44:59 PM</td>
<td>Ms. Rachel Schumaker</td>
</tr>
</tbody>
</table>

7. Fill out the justification box explaining your amendment request. Save.

8. Click on “Status Changes”.

9. The Authorized Official will click “Apply Status” to change the status to Amendment Request Submitted.

10. DNR has now received the submission and will review it. If DNR requires revisions, you will receive a notification and will need to return to step 6. If the amendment is eligible you will receive a notification when Amendment Signatures are required.

11. Follow steps 1-3. Go to Project Agreement-Amendment.

12. Click on the link “Project Agreement Amendment” under the title Project Agreement-Amendment. Print the document.

13. Upload the following documents by clicking the Browse button, searching for the document in your files and click upload. Click the Save button at the top of the screen after each upload.
   a. Completed, signed and dated Signature Page of the project agreement amendment. You do not need to upload the entire document.
b. Certified resolution, if required by your governing body. Also enter the date the resolution was approved.

c. Amended legal description, boundary map lease or easement only if applicable to the amendment.

14. Fill in the Grantee’s Representative Information. Save.

15. Once the page has been completed without any systems errors, the Authorized Official can submit the “Project Agreement Amendment” to the DNR. Click on “Status Changes”.

16. The Authorized Official will click “Apply Status” to change the status to Amendment Submitted.

17. DNR has now received the submission and will review it. If DNR requires revisions, you will receive a notification and will need to return to step 13. If DNR has approved the Project Agreement, you will receive a notification.

**Grant Withdrawal Requests**

If you must withdraw your grant, please contact your Grant Coordinator.
**CHAPTER 5: PURCHASING THE PROPERTY**

At this point, you have completed all the necessary steps described in the previous chapters of this booklet, you have received written approval of market value from the DNR, and you are ready to close on the property. The following information guides you through the closing process and lists all forms that you and the landowner will need to complete. The forms listed below can be found in Appendix F. **All escrow and reimbursement closing packages will only be accepted in MiRecGrants.**

If you have chosen the reimbursement option, we strongly encourage you to submit drafts of all the forms, completed as much as possible, but at least 30 days before you plan to close on the property. We will review the forms and provide you with our comments. Prior review of the forms should assist you in completing them correctly during closing, shorten our review time, and enable you to receive your reimbursement check sooner.

If you have chosen the escrow closing option, a complete draft closing package will need to be submitted to the DNR at least 60 days prior to desired closing date. This will enable the DNR to review the documentation and arrange for the deposit of 90 percent of the eligible grant amount to the escrow account on your behalf.

**NOTE:** The discussion below refers to a single landowner; however, when there are multiple landowners, all must sign the following documents. If your project involves the purchase of multiple parcels of land and some or all of the parcels differ in ownership, you will need to prepare a complete set of forms for each unique parcel/ownership combination.

### Forms Needed

<table>
<thead>
<tr>
<th><strong>$</strong></th>
<th><strong>STEP 1</strong></th>
<th><strong>FORMS NEEDED</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Informing the Landowner of the Market Value</td>
<td>Statement of Just Compensation (PR1908-1)</td>
</tr>
</tbody>
</table>

- The grantee and the landowner complete and sign the entire *Statement of Just Compensation* form, which must indicate the DNR-approved market value and must have the legal description of the parcel attached.
- Upon request, Grants Management will review the completed *Statement of Just Compensation* before it is signed to ensure completeness or will review the executed form to ensure you are prepared to take the next step in the process.

<table>
<thead>
<tr>
<th><strong>$</strong></th>
<th><strong>STEP 2</strong></th>
<th><strong>FORMS NEEDED</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Making an Offer to Purchase</td>
<td>Offer to Purchase (PR1908-8) OR Offer to Purchase (With Land Donation)/Waiver of Just Compensation (PR1908-2)</td>
</tr>
</tbody>
</table>

- The purchase price you offer must be at least equal to the DNR-approved market value/just compensation amount indicated on the *Statement of Just Compensation* form. If you intend to purchase the property at the market value and the landowner does not intend to donate any of the land value, or if you intend to purchase the property for more than the market value, the *Offer to Purchase* form is used. A standard real estate purchase agreement document may be used in lieu of the DNR form.
- If you offer more than the market value for the property, you must be prepared to pay the additional costs without reimbursement.
- For acquisitions that include a donation of land value (that is, the landowner has agreed to sell the property for less than the DNR-approved market value) the *Offer to Purchase (With Land Donation)/Waiver of Just Compensation* form is used. This document must be completed to show that the landowner has agreed to a cash compensation amount that is less than the recognized market value of the land.
- The legal description of the parcel must be attached to or included within the *Offer to Purchase.*

<table>
<thead>
<tr>
<th><strong>$</strong></th>
<th><strong>STEP 3</strong></th>
<th><strong>FORMS NEEDED</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Determining Incidental Costs and Informing the Landowner of His/Her Rights</td>
<td>Seller’s Waiver of Reimbursement of Incidental Expenses (PR1908-3)</td>
</tr>
</tbody>
</table>
In a typical real estate transaction, the landowner pays for incidental expenses. Under the MNRTF program, landowners who pay incidental costs are entitled to reimbursement by the grantee, unless the landowner specifically waives this right.

Prior to the closing, you must inform the landowner that MNRTF procedures require you to pay all incidental closing costs, unless the landowner specifically waives this requirement. If the landowner agrees to pay any of the incidental closing costs, the Seller’s Waiver of Reimbursement of Incidental Expenses form must be completed by the grantee and signed by the landowner.

<table>
<thead>
<tr>
<th>STEP 4</th>
<th>FORMS NEEDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closing, Recording of Deeds</td>
<td>📄 Closing Statement (PR1908-9)</td>
</tr>
<tr>
<td></td>
<td>📄 Warranty Deed</td>
</tr>
<tr>
<td></td>
<td>📄 Declaration and Notice</td>
</tr>
<tr>
<td></td>
<td>📄 Mineral Royalty Interest Deed</td>
</tr>
</tbody>
</table>

At the time of closing, the Closing Statement document is prepared by you or your agent and is signed by you and the landowner. Alternatives to the Closing Statement document may be used if they include the same information.

Title insurance is required for all acquisitions except those of railroad corridors. At a minimum, a title search is required for railroad purchases.

The deed for the property must be a warranty deed and may not contain reversionary clauses, covenants, or other restrictions, unless they are required or have been approved by the DNR prior to closing.

The following statement must be recorded as a ‘Declaration and Notice’ after the property warranty deed(s) which indicates that the purchase of the property was acquired with assistance from the Michigan Natural Resources Trust Fund (edit as appropriate for your project):

The lands included in this deed were acquired by (grantee) with funding assistance from the Michigan Natural Resources Trust Fund pursuant to project agreement TF____ between the Michigan Department of Natural Resources and (grantee), executed on (date). The project agreement describes certain requirements to ensure the long-term conservation of the property and its use for public outdoor recreation. (grantee) is placing this notice on record as confirmation of its obligations as set forth in the project agreement, including the requirement that the consent of the Michigan Department of Natural Resources and the Michigan Natural Resources Trust Fund Board of Trustees is required prior to the conveyance of any rights or interest in the property to another entity, or for the use of the property for purposes other than conservation or public outdoor recreation.

NOTE: Mineral royalty interest deeds are excluded from this requirement.

The requirements for the format and content of a declaration and notice are included in Appendix D.

The requirements for the format and contents of a mineral royalty interest deed are included in Appendix E.

The original mineral deed must be submitted to Grants Management after closing.

For a traditional reimbursement closing, you and the landowner schedule the closing and you incur all costs associated with the acquisition. You or your agent record the property deed, declaration and notice, and mineral royalty interest deed.

For an escrow closing, you will need to deposit your match amount plus 10% of the eligible grant amount with the escrow agent. You and the escrow agent will then coordinate with the landowner and DNR to schedule the closing. As part of closing, or immediately afterward, the escrow agent will record the property deed, declaration and notice, and mineral royalty interest deed.
CHAPTER 6: PREPARING THE ESCROW CLOSING OR REIMBURSEMENT PACKAGE

A key part of your project is compiling the necessary documents that you will need to submit in either the escrow closing package (prior to purchase) or the reimbursement package (following purchase). All escrow and reimbursement closing packages will only be accepted in MiRecGrants.

A. Escrow Closing: Eligible costs are based on approved market value, plus incidental costs, at the grant percentage in your project agreement, but cannot exceed the maximum-stated grant amount. Submit the draft escrow closing package to the DNR at least 60 days prior to closing. If you do not believe you can meet this requirement, contact the Grants Management staff in writing or by telephone for assistance.

NOTE: If your project involves the purchase of multiple parcels of land and some or all of the parcels differ in ownership, you will need to prepare a complete draft escrow closing package for each unique parcel/ownership combination. The escrow agent (usually a title company) will assist you with compiling the draft closing package as part of the service they offer. Upon our approval of the escrow closing package, we will escrow 90% of the total grant amount earned. You will need to deposit with the escrow agent an amount equal to your pledged match amount plus 10% of the earned grant amount.

SUBMITTING AN ESCROW CLOSING PACKAGE

Follow the steps below to submit your escrow closing package to the DNR for approval.

1. Log in to MiRecGrants.
2. Click on the “My ACQ” tab and search for the Acquisition Document.
3. Click on the Name of the acquisition document.
4. Click on “Escrow Closing Documentation”.
5. Fill out the boxes and upload the following documents by clicking the Choose File button, searching for the document in your files and clicking Open. Click the Save button at the top of the screen after each upload or change to the page.
   a. Executed Escrow Closing Agreement
   b. Executed Statement of Just Compensation. Choose Yes or No: Is the offer to purchase made at less than DNR approved market value?
   c. Offer to Purchase/Waiver of Just Compensation OR Offer to Purchase
   d. Draft Deed. Choose Yes or No: Is the total acreage being acquired for all parcels greater than 5?
   e. Recorded Mineral Deed (if greater than 5 acres are being acquired)
   f. Draft Declaration and Notice
   g. Draft Closing Statement
   h. Title Commitment
   i. Tax Bills
   j. Draft Sellers Waiver of Reimbursement of Incidental Expenses (optional)
   k. Acquisition Reimbursement Request Form
   l. Copies of Invoices and Cancelled Checks
   m. Other
ESCROW CLOSING DOCUMENTATION

Instructions:
• Click Save button after each upload.
• Review Acquisition Guidelines Booklet here for more information on required documentation.

To Upload Attachments:
• Click the Browse button and search for the document.
• Once selected, the path to the file will appear in the Document Source field.
• Click the Save button.
• New Upload bars will appear as files are added.
• Maximum size per document cannot exceed 30MB.

NOTE: When the file is named to be uploaded, DO NOT leave any spaces, place a period between the words OR use any special characters, e.g., ‘.’, in the document name. Attachments may be in Word, PDF, JPG, XLS or GIF format.

Required Content for Draft Package:

**Executed Escrow Closing Agreement:**
Choose File: No file chosen

Escrow Company Name
Address
City
Agent Name
Agent’s E-mail

**State of Michigan Vendor ID**

**Executed Statement of Just Compensation**
Choose File: No file chosen

Is offer to purchase made at less than DNR approved market value?  
- Yes  - No

**Draft Deed:**
Choose File: No file chosen

Is the total acreage being acquired (all parcels) greater than 5?  
- Yes  - No

**Draft Declaration and Notice:**
Choose File: No file chosen

**Draft Closing Statement:**
Choose File: No file chosen

**Title Commitment**
Choose File: No file chosen

**Tax Bills:**
Choose File: No file chosen

**Draft Sellers Waiver of Reimbursement of Incidental Expenses:**
Choose File: No file chosen

**Acquisition Reimbursement Request Form:**
Choose File: No file chosen

**Copies of Invoices and Cancelled Checks:**
Choose File: No file chosen

**Other:**
Choose File: No file chosen

IC1908 (Rev. 11/29/2018)
6. Once the page has been completed without any systems errors, the Authorized Official can submit the Project Agreement Amendment to the DNR. Click on “Status Changes”.

7. The Authorized Official will click “Apply Status” to change the status to Escrow Package Submitted.

8. DNR has now received the submission and will review it. If DNR requires revisions, you will receive a notification and will need to return to step 5. If DNR has approved the Escrow Package, you will receive a notification.

B. Reimbursement Closing: Reimbursement for eligible costs is determined using the approved market value, plus incidental costs, at the grant percentage for all eligible costs specified in your project agreement but cannot exceed the maximum-stated grant amount. Submit the reimbursement package to the DNR after closing has occurred and deeds have been recorded. The package should be submitted within 90 days of completing the acquisition but no later than the date given in your project agreement. If you do not believe you can meet this date, contact Grants Management in writing to request an extension.

NOTE: If your project involves the purchase of multiple parcels of land and some or all of the parcels differ in ownership, you will need to prepare a complete reimbursement request package for each unique parcel/ownership combination. If you complete the acquisition in stages Grants Management may elect to withhold payment until the entire project area is acquired.

SUBMITTING A REIMBURSEMENT CLOSING PACKAGE

Follow the steps below to submit your reimbursement closing package to the DNR for approval.

2. Log in to MiRecGrants.
3. Click on the “My ACQ” tab and search for the Acquisition Document.
4. Click on the Name of the acquisition document.
5. Click on “Required Reimbursement Documentation”.
6. Upload the following documents by clicking the Choose File button, searching for the document in your files and clicking Open. Click the Save button at the top of the screen after each upload or change to the page.
   a. Statement of Just Compensation. Choose Yes or No: Is the offer to purchase made at less than DNR market value?
   b. Offer to Purchase/Waiver of Just Compensation OR Offer to Purchase
   c. Recorded Deed. Choose Yes or No: Is the total acreage being acquired for all parcels greater than 5?
   d. Recorded Mineral Deed (if greater than 5 acres are being acquired)
   e. Recorded Declaration and Notice
   f. Final Closing Statement
   g. Title Policy
   h. Paid Tax Bills
   i. Sellers Waiver of Reimbursement Incidental Expenses (optional)
   j. Acquisition Reimbursement Request Form
   k. Photograph of Installed MNRTF Plaque
   l. Copies of Invoices and Cancelled Checks
   m. Other (Optional)
REQUIRED REIMBURSEMENT DOCUMENTATION

Instructions:
- Click the Save button after each upload.
- Review Acquisition Guidelines Booklet here for more information on required documentation.

To Upload Attachments:

- Click the Browse button and search for the document.
- Once selected, the path to the file will appear in the Document Source field.
- Click the Save button.
- New Upload bars will appear as files are added.
- Maximum size per document cannot exceed 30MB.

NOTE: When the file is named to be uploaded, DO NOT leave any spaces, place a period between the words OR use any special characters, e.g. “/”, in the document name. Attachments may be in Word, PDF, JPG, XLS or GIF format.

Closing Type: Reimbursement

Required Content for Reimbursement Package:

Statement of Just Compensation:
[Choose File] No file chosen

Is offer to purchase made at less than DNR approved market value?  ○ Yes  ○ No

Recorded Deed:
[Choose File] No file chosen

Is the total acreage being acquired (all parcels) greater than 5?  ○ Yes  ○ No

Recorded Declaration and Notice:
[Choose File] No file chosen

Final Closing Statement:
[Choose File] No file chosen

TIDG Policy:
[Choose File] No file chosen

Paid Tax Bills:
[Choose File] No file chosen

Sellers Waiver of Reimbursement of Incidental Expenses:
[Choose File] No file chosen

Acquisition Reimbursement Request Form:
[Choose File] No file chosen

Photograph of Installed MNRTF Plaque:
[Choose File] No file chosen

Copies of Invoices and Cancelled Checks:
[Choose File] No file chosen

Other:
[Choose File] No file chosen
7. Once the page has been completed without any systems errors, the Authorized Official can submit the Project Agreement Amendment to the DNR. Click on “Status Changes”.

8. The Authorized Official will click “Apply Status” to change the status to Reimbursement Package Submitted.

9. DNR has now received the submission and will review it. If DNR requires revisions, you will receive a notification and will need to return to step 5. If DNR has approved the Reimbursement Package, you will receive a notification.

Upon our approval of the reimbursement package, DNR will make an initial payment of 90% of the total grant amount earned.

Regardless of which closing option is selected, the DNR will complete a final review after final closing documents, including the recorded warranty deed, mineral royalty interest deed, and declaration and notice have been received. If the outcome of the final review is satisfactory, the remaining 10% payment will be made to the Grantee.

The following costs are eligible for reimbursement, provided your grant award is sufficient to cover them:

- $ Title Insurance and Title Search
- $ Environmental Assessment Costs (Up to 5% of Market Value)
- $ Appraisal Costs
- $ Prorated Taxes
- $ Recording Fees
- $ Transfer Tax/Revenue Stamps

Any payments made to the landowner prior to execution of your project agreement are not eligible for grant reimbursement and will be deducted from the market value.
TAX PRORATION EXAMPLE

(Assuming a Closing Date of November 12.

The summer and winter tax bill may contain city taxes, county taxes, local school taxes, and intermediate school taxes. The taxes may also be for various periods of time.

<table>
<thead>
<tr>
<th>Parcel(s)</th>
<th>Summer</th>
<th>Winter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax ID</td>
<td>28,291.84</td>
<td>4,630.12</td>
</tr>
<tr>
<td>Tax ID</td>
<td>22,658.68</td>
<td>3,309.60</td>
</tr>
<tr>
<td>Tax ID</td>
<td>1,785.83</td>
<td>256.04</td>
</tr>
<tr>
<td>Total</td>
<td>52,736.35</td>
<td>8,195.76</td>
</tr>
</tbody>
</table>

Closing Date: November 12

| # days Grantee owned | 231 | 19 |
| # days Seller owned  | 134 | 346 |
|                      | 365 | 365 |

Tax Payment

| 52,736.35 | 8,195.76 |

Buyer/Grantee Proration

\[
\text{Buyer/Grantee Proration} = \frac{231}{365} \times 52,736.35 \quad \text{(19/365) x 8,195.76}
\]

Seller Proration

\[
\text{Seller Proration} = \frac{134}{365} \times 52,736.35 \quad \text{(346/365) x 8,195.76}
\]

| Buyer/Grantee Proration | 33,375.61 | 426.63 |
| Seller Proration        | 19,360.74 | 7,769.13 |
| Total                   | 52,736.35 | 8,195.76 |
The following two lists (one for the reimbursement process, one for the escrow closing process) indicate all the documents that must be submitted in your reimbursement or escrow closing package. You may use one of these lists as a checklist to ensure that you have prepared and included all required documents:

**LIST OF ITEMS TO BE INCLUDED IN A REIMBURSEMENT PACKAGE**

- **Acquisition Reimbursement Request**
  - __ Signed by you
- **Statement of Just Compensation**
  - ___ Includes your original signature and those of each of the sellers of the parcel
  - ___ Legal description must be attached
- **Offer to Purchase OR Offer to Purchase (With Land Donation)/Waiver of Just Compensation**
  - ___ Signed you and each of the sellers, dated after the Statement of Just Compensation is signed
  - ___ Legal description must be attached
- **Seller’s Waiver of Reimbursement of Incidental Expenses**
  - ___ Completed by you, if required, and signed by each of the sellers
- **Copy of Recorded Warranty Deed to the Property**
  - ___ Must be a warranty deed
  - ___ Must not include restrictions or other conditions except those preapproved by DNR
- **Copy of Recorded Declaration and Notice**
- **Boundary Map of the Acquired Area**
- **Original Recorded Mineral Royalty Interest Deed**
  - ___ Must be a warranty deed
  - ___ A boundary area map needs to be included with the deed
- **Title Insurance Policy (possible exception, railroad corridor)**
- **Closing Statement**
  - ___ Signed by you and each seller
- **Documentation of All Costs Incurred**
  - ___ Copies of invoices
  - ___ Copies of cancelled checks. Each check copy must either be of the front and back of the check as returned by the bank, or a copy of the front of the check with a copy of the bank statement or documentation of wire transfer, showing the check has cleared
- **Photo of the Installed MNRTF Plaque**
  - ___ Photo is to show that the plaque has been permanently installed in a prominent location on the property
- **Tax Proration Schedule and Copy of Paid Property Tax Bills**
  - ___ Calculation of tax proration must be made using MNRTF method (see page 31)
LIST OF ITEMS TO BE INCLUDED IN A LAND ACQUISITION ESCROW CLOSING PACKAGE

- **Acquisition Reimbursement Request**
  - __ Signed by you

- **Statement of Just Compensation**
  - __ Includes your original signature and those of each of the sellers of the parcel
  - __ Legal description must be attached

- **Offer to Purchase OR Offer to Purchase (With Land Donation)/Waiver of Just Compensation**
  - __ Signed by you and each of the sellers, dated after the Statement of Just Compensation is signed
  - __ Legal description must be attached.

- **Seller's Waiver of Reimbursement of Incidental Expenses**
  - __ Completed by you, if required, and signed by each of the sellers

- **Draft Warranty Deed to the Property**
  - __ Must be a warranty deed
  - __ Must not include restrictions or other conditions except those preapproved by DNR

- **Draft Declaration and Notice**

- **Boundary Map of the Acquired Area**

- **Mineral Royalty Interest Deed**
  - __ Must be a warranty deed

- **Title Insurance Commitment (possible exception for railroad corridor acquisitions)**

- **Closing Statement**
  - __ Signed by you and each seller

- **Documentation of All Costs Incurred**
  - __ Copies of invoices
  - __ Copies of cancelled checks. Each check copy must either be of the front and back of the check as returned by the bank, or a copy of the front of the check with a copy of the bank statement or documentation of wire transfer, showing the check has cleared

- **Tax Proration Schedule and Copies of Paid Property Tax Bills**
  - __ Calculation of tax proration must be made using MNRTF method (see page 31)

- **Original Escrow closing agreement signed by buyer, seller and closing agent**
  - __ Closing agreement must provide the company’s State of Michigan Vendor ID

Escrow closing, and reimbursement packages must include a schedule that explains how the property taxes were prorated, as well as copies of all the paid tax bills. The example will assist you in prorating taxes. The example is for real estate tax proration when the annual taxes have been prepaid (as specified in 1966 PA 288). The example is also based on the assumption that the seller has paid all tax bills issued. If the seller has not paid the tax bills, the calculation process would be the same, but the grantee would be entitled to deduct any portion of the taxes that are in arrears from the closing statement. On the closing date, the property belongs to you; therefore, the closing date is used to determine the proration.
CHAPTER 7: PROGRAM RECOGNITION

Providing program acknowledgement through signs, plaques, and written materials helps local residents and visitors to the community see the benefits of the MNRTF and its long-term importance to Michigan’s recreation estate. They also serve as a reminder to future local officials and park personnel that the park has long-term grant obligations.

PLAQUE REQUIREMENTS

All grantees are required to install and maintain a permanent MNRTF recognition plaque in the project area at a prominent place where it can easily be viewed by the public. The order form for the required MNRTF recognition plaque is available online at www.michigan.gov/dnr-grants. The plaque must be installed by the time of project completion and a photograph of the plaque must be included with the final reimbursement request. For projects using the escrow option, a photograph of the installed plaque will need to be submitted before the final 10% payment will be released.

ADDITIONAL RECOGNITION EFFORTS

We also encourage you to acknowledge the role of the MNRTF program in written materials. Program recognition language can be included in materials such as park brochures and maps, press releases, grand opening announcements, park posters, interpretive signs and displays, and annual reports. Materials specific to the grant-funded area as well as written materials about the community’s overall parks and recreation program can include acknowledgement of the MNRTF.

You do not need to make arrangements to publish new or additional materials when you receive an MNRTF grant, but we do encourage you to include recognition of the program in materials you would normally publish. Recognition of the MNRTF program can be added to existing publications as they are updated and reprinted. Including program recognition in written materials is strongly encouraged.

Please Note: A public recognition ceremony is required for all projects. This is an important part of recognizing the program that provided the funding for the project.
CHAPTER 8: LONG-TERM OBLIGATIONS

The obligations associated with the acquisition grant you have received do not end with final reimbursement. Your project agreement includes long-term obligations regarding the project area.

The most significant long-term obligations include:

- You must keep the entire project area in **public outdoor recreation use in perpetuity**. Other government buildings (for example, libraries and fire stations), utility structures (including cellular towers and wind turbines), or indoor recreation facilities are not allowed;
- The project area and facilities must remain open and accessible for public use at all appropriate times, based on the type of area and facilities, excluding temporary closures for renovation or other purposes;
- Preferential membership or permit systems are prohibited, with the exception that differences in admission and other fees may be instituted on the basis of residency. “Residents only” policies are prohibited;
- You must receive approval from the MNRTF Board before transferring ownership or control of any portion of the project area to another governmental entity;
- You must maintain the project area and facilities, so that they are attractive, inviting, and safe;
- Prior DNR approval is required to make any significant changes to the type of recreation provided within the project area, such as converting a natural area to an active sports complex.

CONVERSIONS

Changes to the project area that are contrary to the terms of the project agreement are termed **conversions**. If you are contemplating any changes that conflict with the long-term obligations included in your project agreement or if you foresee any unavoidable changes, contact Grants Management as soon as possible. The MNRTF Board has adopted policies and procedures that govern the handling of conversions of the project area. In those cases where a conversion may be approved, costly mitigation is virtually always required. The primary form of mitigation for a conversion is replacement of the converted property with property of at least equal monetary (current market value), recreational, and resource protection value. Other forms of mitigation are rarely accepted and require Board approval.

The DNR will perform periodic inspections of the project area and facilities to determine your compliance with all long-term obligations specified in your project agreement. You will be notified of any problems we identify, and you will be asked to address them within a reasonable timeframe.

The Michigan Natural Resources Trust Fund program celebrated its 41st anniversary in 2017. The federal Land and Water Conservation program has an even longer history since its establishment by Congress in 1964. Over the years, it has become common for a single park to have received numerous grants through these and other recreation grant programs administered by the DNR. Therefore, your long-term obligations at any of your parks may be governed by more than one grant program and project agreement. **We strongly encourage you to contact Grants Management for information on your community’s recreation grant obligations before pursuing a change or conversion.**
APPENDIX A: EXAMPLE OF BOUNDARY MAP FOR EXECUTING A PROJECT AGREEMENT

1) Boundary Map
2) Veteran's Memorial Park
3) Existing Parking
4) Proposed Restroom Building
5) Proposed Playground
6) Pond
7) Firhall
8) North arrow
9) Identify all existing and proposed development
10) Dimensions

1) Identify Map as Boundary Map
2) Title of project
3) Signature and date of authorized individual
4) Surrounding land use
5) Clearly indicate the boundary of the park in RED.
6) Indicate adjoining street names
7) If applicable, identify any pre-existing indoor facilities that do not support outdoor recreation and exclude from boundary
8) Dimensions
9) Date
APPENDIX B: EXAMPLE OF RESOLUTION FROM LOCAL GOVERNING BODY ACCEPTING A GRANT

Upon motion made by ______________________________, seconded by ______________________________, the following Resolution was adopted:

“RESOLVED, that the ______________________________, Michigan, does hereby accept the terms of the Agreement for (insert grant number here) as received from the Michigan Department of Natural Resources (DEPARTMENT), and that the ______________________________ does hereby specifically agree, but not by way of limitation, as follows:

1. To appropriate all funds necessary to complete the project during the project period and to provide _________________________________ ($_____________) dollars to match the grant authorized by the DEPARTMENT.

2. To maintain satisfactory financial accounts, documents, and records to make them available to the DEPARTMENT for auditing at reasonable times.

3. To construct the project and provide such funds, services and materials as may be necessary to satisfy the terms of said Agreement.

4. To regulate the use of the facility constructed and reserved under this Agreement to assure the use thereof by the public on equal and reasonable terms.

5. To comply with any and all terms of said Agreement including all terms not specifically set forth in the foregoing portions of this Resolution.”

The following aye votes were recorded: ________________
The following nay votes were recorded: ________________

STATE OF MICHIGAN )
 ) ss
COUNTY OF ____________ )

I, ______________________________, Clerk of the ______________________________, Michigan, do hereby certify that the above is a true and correct copy of the Resolution relative to the Agreement with the Michigan Department of Natural Resources, which Resolution was adopted by the ______________________________ at a meeting held ________________________.

Signature

______________________________________
Title

______________________________________
Dated:
APPENDIX C: APPRAISAL REPORT STANDARDS

Michigan Department of Natural Resources – Real Estate Services Section

APPRASIAL REPORT STANDARDS

To prepare an appraisal report and/or appraisal review for the Department of Natural Resources (DNR), the appraiser **MUST** be on the DNR Approved Appraiser List and the appraiser **MUST** be licensed in the State of Michigan as a Certified General Appraiser. To register for the DNR Approved Appraiser List, please contact Kelly Ramirez, DNR Appraisal Supervisor, at 517-284-5947 or at ramirezk@michigan.gov.

**NOTE:** For all DNR appraisal assignments, the Certified General Appraiser under contract is the ONLY person authorized to analyze the data, make value adjustments, reconcile value conclusions and sign the Certification. Any deviation from this requirement **MUST** receive written approval from the DNR Appraisal Supervisor **prior** to commencing work on the appraisal report.

Currently, the DNR uses SIGMA Vendor Self Service (VSS) to do the following:

1. To sign up for Electronic Fund Transfers (EFT)
2. To sign up to receive bid requests on appraisal assignments

To register for these services, log into the SIGMA VSS website at: www.michigan.gov/VSSLogin. To sign up for EFT’s, go to Vendor Registration. To sign up to receive bid requests on appraisal assignments, go to Business Opportunities, Solicitations. If you have any questions on the SIGMA VSS registration process, please contact Vendor Registration at 1-888-734-9749 or at SIGMA-Vendor@michigan.gov.

All DNR appraisal reports must be in narrative format, unless otherwise specified, and must adhere to DNR Appraisal Report Standards and USPAP requirements that are current as of the date of the appraisal report. If Federal money is involved, the appraiser may have to be Yellow Book Certified and follow Yellow Book requirements. Appraisal reports not adhering to these requirements will be returned for correction.

The use of the Development/Subdivision Approach is **NOT** allowed on DNR appraisal reports. Any deviation from this requirement **MUST** receive written approval from the DNR Appraisal Supervisor **prior** to commencing work on the appraisal report.

For DNR appraisal reports, the use of Hypothetical Conditions and Extraordinary Assumptions **MUST** receive written approval from the DNR Appraisal Supervisor **prior** to commencing work on the appraisal report.

For DNR appraisal reports, the use of qualitative adjustments (versus quantitative adjustments) **MUST** receive written approval from the DNR Appraisal Supervisor **prior** to commencing work on the appraisal report.

For larger valued properties, two appraisals are required. The DNR will contract two appraisers from the DNR Approved Appraisal List. The two contracted appraisers are responsible for any coordination needed to complete the appraisal reports.

When the appraisal report is complete, an unsigned, electronic report must be submitted to the DNR Appraisal Supervisor for review. Upon completion of the appraisal review, one signed, hard copy AND one signed, electronic copy of the appraisal report is required. Invoices will be paid upon receipt of the final, signed, electronic copy of the appraisal report.

Rev. 09/24/2018
I. GENERAL DATA
A. Cover Page – Include the following information regarding the subject property:
   1. Photograph
   2. Name of Record Owner and Mailing Address
   3. Location/Address, including Township, City, County
   4. Tax ID Number
   5. Name of Project and Case Number
   6. Acreage
   7. Name of Subsurface Owner, if applicable
   8. Appraiser’s Name and Address
   9. Effective Date of Value
B. Table of Contents
   1. Number every page from cover to cover
   2. List titles of contents and corresponding pages numbers
C. Summary Page – Include the following information regarding the subject property:
   1. Name of Project and Case Number
   2. Name of Owner/Lessee, including mailing address(es)
   3. Location (include Road, City, Township, Section, County, Road/Water Frontage and Legal Description)
   4. Property Details (include Improvements, Leases, Easements, Encroachments, Permits and Mineral Rights)
   5. Total Area, Size and Dimensions of Property
   6. Name of Appraiser, Business Address, Email Address, Phone Number and Appraisal License Number
   7. Date of Value
   8. Date of Report
   9. Date(s) of Inspection
   10. Purpose of Appraisal
   11. Interest being Appraised
   12. Intended Users
   13. Highest and Best Use

   NOTE: The Development/Subdivision Approach is NOT allowed on DNR Appraisal Reports.
D. Statement of Assumptions and Limiting Conditions
E. Scope of Appraisal – Summarize the process and assistance received in collecting and confirming the data, the inspection date(s) on the subject property and the valuation process relied on in determining market value. Provide adequate location maps and photographs of the subject property.
F. Purpose of Appraisal – Clearly set forth the purpose for which the appraisal report is being prepared, which is to establish market value for the subject property. For DNR appraisal reports, market value is defined as:

   The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeable, and for self-interest, and assuming neither is under undue duress.

Rev. 09/24/2018
G. Intended Users

H. Market Exposure/Marketing Time

I. Hypothetical Conditions and Extraordinary Assumptions – Define Hypothetical Conditions and Extraordinary Assumptions and list any utilized in the valuation of the subject property.

**NOTE:** The use of Hypothetical Conditions and Extraordinary Assumptions MUST receive written approval from the DNR Appraisal Supervisor prior to commencing work on the appraisal report.

J. Hazardous Waste and Property Contamination – Fully research and describe any physical details of the land and improvements which are unusual and indicate possible presence of hazardous wastes or contamination (i.e., unvegetated or stained areas, underground tanks, foam insulation, asbestos, transformers and electrical equipment containing PCB’s and product and processing materials). Detail your inquiries to, and responses from, the property owners and/or other persons knowledgeable about the subject property. Include their knowledge of past uses of the subject property and of adjoining properties.

1. If you suspect hazardous waste or property contamination on the subject property, immediately contact the Case Manager listed on the Fee Appraisal Request (FAR)

2. If you find no evidence of hazardous waste or property contamination on the subject property, the following statement should be included in your appraisal report:

   “No evidence of hazardous waste or property contamination was observed by the appraiser; however, this appraiser is not versed in, nor qualified to, detect hazardous waste or property contaminated conditions. Expert testing should be done, if so desired”.

II. PROPERTY DATA

A. Description of Property – Describe in detail the physical features of the subject property, including land area, road/water frontage, access, topography, type of utility service, timber/wood lot, ground cover, soil type/condition, drainage characteristics and any hazardous waste or property contamination information. Include surveys of the subject property, if available, in the Addendum.

B. Description of Improvements – Describe the physical details, size and condition of all buildings structures and land improvements, including dams, irrigation systems, wells and fencing. A floor plan of the buildings, showing room sizes, should be included in the Addendum.

C. Description of Easements, Encroachments, Leases and Permits – Describe any existing easements, encroachments, leases and permits on the subject property and provide names of all current parties of interest. Also describe if the subject property is enrolled in the Land Conservation Program (farmland, forest protection, etc.) or in the Land Grants Program.

D. Description of Mineral Rights – Identify and discuss the existence of mineral rights on the subject property, including oil and gas, metallic minerals (copper, iron) and non-metallic mineral (sand, gravel) and the effect they have on the valuation of the subject property.

E. Description of Landlock – If the subject property is landlocked, identify adjoining owners and explain potential access issues. Provide a plat or tax map, identifying adjoining owners and roads.

F. Zoning – Describe existing zoning, including any land-use restrictions or permitted uses under the current zoning. Verify with the property owner and/or municipal offices any zoning change requests made on the subject property and/or special use permits applied for in the past five (5) years and how each of these may influence values.

G. Present Use of Property – Describe the existing use of the property. If the present use is different than the use permitted by existing zoning, state the conditions it is permitted.
H. Ownership, Occupancy and Contact with Property Owners – Provide names/addresses of all current parties of interest, including owners, co-owners, lessees, licensees, easement holders and holders of subsurface rights, etc. A copy of all party of interest documents must be included in the Addendum.

The appraiser must contact the property owner, his/her representative and any other party of interest and offer the opportunity to accompany them on the inspection of the subject property. A statement must be included in the appraisal report that “I offered the owner(s) and his/her designated representative an opportunity to accompany me during the inspection of the property, and he/she accepted or declined”. List the date(s) of inspection and name(s) of all people in attendance at the inspection. If the appraiser is unable to contact the owner, the appraisal report should document dates and what specific attempts were made to set up the inspection.

I. Sales History – Provide sales date/price on all sales of the subject property in the past five (5) years. Verify the sales data, including sales date, price, recording data, liber, page number, etc. for each sales transaction on the subject property. If you find the subject property has sold, but you can’t verify the sales price, explain what efforts you made to obtain this information. If there have been no sales of the subject property within the last five (5) years, simply state “NONE IN THE PAST 5 YEARS”.

J. Assessed Value and Taxes – Identify assessed value, state equalized value and taxable value of the subject property. Also include subject property taxes for the current year.

K. Highest and Best Use – Define and analyze the highest and best use of the subject property and your opinion of the use that would result in the greatest net return on the subject property. If your highest and best use conflicts with existing zoning, a detailed explanation of the reasonable possibility of effecting change must be substantiated through interviews with public zoning officials and/or other governing authorities.

III. VALUATION ANALYSIS AND CONCLUSIONS

A. Sales Comparison Approach – The Sales Comparison Approach MUST be utilized on all DNR appraisal reports. The appraiser should conduct a thorough investigation of the market activity on properties similar to the subject property, utilizing at least three (3) comparable sales. If inadequate market data is available to utilize three (3) comparable sales, the appraiser must discuss his/her attempt to locate market data transactions in the appraisal report.

A comparison grid showing adjustments (expressed in dollars or percentages) is required, along with a detailed explanation of items of dissimilarity and the appraiser’s reasoning for each adjustment.

NOTE: The use of qualitative adjustments (versus quantitative adjustments) MUST receive written approval from the DNR Appraisal Supervisor prior to commencing work on the appraisal report.

For appraisals of linear corridors, the appraiser should consider comparable sales of other corridors or based on an “across the fence” valuation methodology. Listings and sales to/from governmental agencies can be used for supplemental/support purposes only.

A comparable sales data sheet, showing detailed sales information of each comparable sale must be included in the Addendum. (See “Comparable Sales Data Sheet” in Section V, Addendum for requirements).

A final reconciliation of the unit value, if applicable, must be determined and the reconciled total market value for the subject property under the Sales Comparison Approach must be clearly stated in the appraisal report.
B. **Cost Approach** – If the subject property is improved and the improvements are new and in good condition, the Cost Approach must be considered. If the appraiser deems this approach unreliable, an explanation must be included in the appraisal report.

When the Cost Approach is utilized, the following analysis and calculations must be detailed in the appraisal report:

1. Value of land, as vacant
2. Replacement or Reproduction Cost (new) of the improvements or buildings
3. Amount of accrued depreciation (physical, functional and economic) with an explanation and justification of each depreciation deduction

After each of these calculations are completed, a grid showing each calculation, and the process utilized to calculate market value, must be included in the appraisal report. A final reconciliation of market value for the subject property under the Cost Approach must be clearly stated in the appraisal report.

C. **Income Approach** – If the subject property is generating an income, the Income Approach must be considered. If the appraiser deems this approach unreliable, an explanation must be included in the appraisal report.

When the Income Approach is utilized, the following analysis and calculation must be detailed in the appraisal report:

1. Estimated rental rate for the subject property based on comparable rental properties
2. Estimate of vacancy and collections, credit loss and operating expense
3. Estimate of capitalization rate

After each of these calculations are completed, a grid showing each calculation, and the process utilized to calculate market value, must be included in the appraisal report. A final reconciliation of market value for the subject property under the Income Approach must be clearly stated in the appraisal report.

D. **Development/Subdivision Approach** - The use of the Development/Subdivision Approach is **NOT** allowed on DNR appraisal reports. Any deviation from this requirement MUST receive written approval from the DNR Appraisal Supervisor prior to commencing work on the appraisal report.

E. **Correlation and Final Reconciliation of Market Value** – List your estimates of market value as concluded in your analysis under the Sales Comparison Approach, Cost Approach and Income Approach. Discuss the degree of reliability of each approach, and which approach you feel would be the most reliable to a prudent purchaser of this type of property. Make a conclusion of market value.

After a final reconciliation of market value is determined, the appraisal report must include the following statement:

“After applying all the applicable approaches to value, and giving due consideration to all factors of value, I conclude the **ESTIMATED MARKET VALUE FOR THE SUBJECT PROPERTY** is $______________.”

IV. **CERTIFICATION**

Since each DNR appraisal assignment is with an individual, pre-approved Certified General Appraiser (not a company) and because the Certified General Appraiser under contract is the ONLY person authorized to analyze the data, make value adjustments and reconcile value conclusions, they are the ONLY person authorized to sign the Certification. Non-appraisers are NEVER allowed to sign the Certification.
V. ADDENDUM

The Addendum should include the following documentation:

A. Photographs of Subject Property – Include location, improvements and other features of subject property. Indicate date photo taken, by whom, and the position it was taken.

B. Maps – Include various dimensional maps of subject property.

C. Ownership Documents – Include deeds, leases, licenses and permits on the subject property.

D. Comparable Sales Data Sheets – Provide a comparable sales data sheet for each comparable utilized and relied upon in the appraisal report AND a comparable sales map, showing each comparable in relation to the location of the subject property. Comparable sales data sheets should include the following information regarding the comparable sale:
   1. Photograph
   2. Location/Address (include legal description)
   3. Tax ID Number
   4. Date of Sale
   5. Name of Parties on the Last Sales Transaction (Buyer/Seller)
   6. Name, Phone Number and Date of Comparable Verification (Verification must be made with buyer/seller or broker)
   7. Date of Inspection
   8. Sales Price Paid
   9. Unit Price Paid (per square foot, acre, front foot)
   10. Financing Terms (include any special consideration in the financing)
   11. Conditions of Sale
   12. Arm’s Length Details
   13. Exposure Time on Market
   14. Physical Description of Land, Improvements, Easements and Mineral Rights, etc.
   15. Utilities, Shape, Topography, Ground Cover, Soil Types/Conditions, Road Cover
   16. Mineral/Timber Values
   17. Assemblage Details, if applicable
   18. Buyers Intended Use
   19. Zoning and Permitted Uses (include proposed zoning changes, special use permits, proposed site plans)
   20. Environmental Items (include on-site tanks, hazardous materials, contaminants)
   21. Highest and Best Use at Time of Sale
   22. Appraiser’s Remarks, when applicable
   23. Ownership Documents (include deeds, leases, licenses, permits, etc.)

E. Correspondence

F. Other Documentation Deemed Appropriate

G. Copy of DNR Fee Appraisal Request (FAR)

H. Copy of DNR Appraisal Site Inspection Environmental Checklist

I. Copy of Appraiser’s E & O Insurance

J. Appraiser’s Resume

K. Appraiser’s Appraisal License

Rev. 09/24/2018
APPENDIX D: PREPARING A DECLARATION AND NOTICE

Required Format

Legal Format Requirements for a Declaration and Notice:

- The minimum type size for real estate documents is 10-point type.
- The weight of the paper must be at least 20 pounds.
- The document must be black ink on white paper.
- There is a mandatory 2.5” margin at the top of the first page with ½” margins on the other three sides and ½” minimum margins on attached pages.
- The type, or title, of the document must be identified on the first line of print and only one document type will be indexed per recording.
- The documents and any attachments must be a minimum 8.5” x 11” and maximum 8.5” x 14.”
DECLARATION AND NOTICE
REQUIRED CONTENT

This Declaration made this ______ day of __________, 20____, by _____________________, a Michigan municipal corporation, (address), (hereafter called (name)), being the owner of all the property described as (insert legal description) herein after referred to as the Property, attached hereto, located in the (name of local unit, ______________County), Michigan, hereby makes the following declaration regarding uses to which the property may be put.

WITNESSETH:

The declaration contained herein is based on the following factual recitals:

A. (Grantee) purchased the Property, in part, through the grant of money from the Michigan Natural Resources Trust Fund.

B. As a condition of the grant by the Michigan Department of Natural Resources, (grantee) has agreed to impose certain restrictions on the Property purchased.

NOW, THEREFORE, the (grantee) hereby declares that the Property is and shall be held, transferred, sold, conveyed, leased, occupied and used subject to the obligation hereinafter set forth, all of which shall run with the land.

The lands included in this deed were acquired by (grantee) with funding assistance from the Michigan Natural Resources Trust Fund pursuant to project agreement TF__-___ between the Michigan Department of Natural Resources and (grantee), executed on (date). The project agreement describes certain requirements to ensure the long-term conservation of the property and its use for public outdoor recreation. (Grantee) is placing this notice on record as confirmation of its obligations as set forth in the project agreement, including the requirement that the consent of the Michigan Department of Natural Resources and the Michigan Natural Resources Trust Fund Board of Trustees is required prior to the conveyance of any rights or interest in the property to another entity, or for the use of the property for purposes other than conservation or public outdoor recreation.

Name of Local Unit

By: ______________________________

(continued on next page)
STATE OF MICHIGAN
COUNTY OF

The foregoing instrument was acknowledged before me this__________________ day of __________,20__, by

____________________________________ and  ____________________________________.

(Name 1)  (Name 2)

Notary Public, ____________________________

Prepared by:

My Commission Expires:
APPENDIX E: PREPARING A MINERAL ROYALTY INTEREST DEED

REQUIRED FORMAT

Legal Format Requirements for a Mineral Royalty Interest Deed:
- The minimum type size for real estate documents is 10-point type.
- The weight of the paper must be at least 20 pounds.
- The document must be black ink on white paper.
- There is a mandatory 2.5” margin at the top of the first page with ½” margins on the other three sides and ½” minimum margins on attached pages.
- The type, or title, of the document must be identified on the first line of print and only one document type will be indexed per recording.
- The documents and any attachments must be a minimum 8.5” x 11” and maximum 8.5” x 14.”

Guidance for Preparing a Mineral Royalty Interest Deed:
- The mineral royalty interest deed must be a warranty deed.
- The name of each person who executes or notarizes the deed must be printed, typewritten, or stamped immediately beneath the signature of the person.
- The address of each person executing the deed shall be printed, typewritten, or stamped upon the face of the document.
- No discrepancy can exist between the name of the person as it appears in the body of the deed (printed, typewritten, or stamped) and the signature of such person.
- The grantor of the mineral royalty interest is the local unit of government.
- The grantee, or the recipient of the royalty interest, is the State of Michigan. The address for the State of Michigan must be legibly printed or typed on the deed. The address should be:
  
  REAL ESTATE SERVICES SECTION, FINANCE AND OPERATIONS DIVISION
  MICHIGAN DEPARTMENT OF NATURAL RESOURCES
  PO BOX 30448
  LANSING, MICHIGAN  48909-7948

- The deed must contain the name and business address of the person who drafted the document.
- The legal description attached to the deed must match the warranty deed for the property, appraisal, Statement of Just Compensation document, project agreement and title insurance.
MINERAL ROYALTY INTEREST DEED - REQUIRED CONTENT

WARRANTY DEED (State Bar of Michigan Form)

The Grantor(s) (name of the city, village, township or county that received the MNRTF grant)

convey and warrant to the STATE OF MICHIGAN

whose address is Post Office Box 30448, Lansing, Michigan 48909-7948

the following described premises situated in the Township of _______________________,

County of ____________________________ and State of Michigan.

SUBJECT TO easements and building and use restrictions of record (if any).

GRANTORS CONVEY a perpetual nonparticipating royalty equal to 1/6 of the gross proceeds of sale of all oil and/or gas and other minerals produced and saved in any combination from the mineral rights described in Exhibit A. This conveyed royalty shall be determined and paid pursuant to the terms specified in Exhibit B.

The terms of this conveyance shall extend to the heirs, executors, administrators, successors, and assigns of the parties hereto.

Tax ID No. _____________________

For and in consideration of

Dated this ____________ day of _____________________, __________

Signed By:

Signature

Typed Name

Title

Signature

Typed Name

Title

(continued on next page)
STATE OF MICHIGAN )
COUNTY OF )

The foregoing instrument was acknowledged before me this__________________ day of ____________,20__, by

____________________________________ and ________________________________.

(Name 1) (Name 2)

____________________________________

Notary Public, _________________ County,

My Commission Expires:

Prepared by:

After recording, return the original deed to:

GRANTS MANAGEMENT
MICHIGAN DEPARTMENT OF NATURAL RESOURCES
PO BOX 30425
LANSING MI 48909-7925

(continued on next page)
Exhibit “A” of the Mineral Interest

Attached to and made a part of that Warranty Deed (covering Minerals) dated _________________ from _________________ as grantor to the State of Michigan as grantee.

Description of the lands covered (legal description) and the attached boundary map:

containing ____________ mineral acres more or less.

The royalty interest pertains to the following existing mineral lease(s) that transferred to the grantor with acquisition of the mineral rights:

__________________ lease (indicate the mineral type of the existing lease - oil and gas, sand, gravel, etc.) with ____________________________ (name of the lessee) dated _____________ and recorded in Liber _______, Page _____, ________________ County records.

(continued on next page)
1. Definitions:
   a. “Gas” means a mixture of hydrocarbons and varying quantities of nonhydrocarbons in a gaseous state which may or may not be associated with oil, including those liquids resulting from condensation; including, but not limited to, natural gas and casinghead gas.
   b. “Gross Proceeds” means the total moneys and other consideration accruing to an oil and gas Lessee for the disposition of the oil, gas, or plant products produced. Gross proceeds includes, but is not limited to, payments to the Lessee for certain services such as compression, dehydration, measurement, and/or gathering which the Lessee is obligated to perform at no cost to the Nonparticipating Royalty Owner to place lease products in marketable condition. Where lease products are sold to an affiliated person or entity, gross proceeds are equivalent to the gross proceeds derived from, or paid under, comparable arm’s-length contracts for purchases, sales, or other dispositions of like-quality lease products from the same field or area. In evaluating the comparability of arm’s-length contracts for purposes of this Agreement, the following factors shall be considered: price, time of execution, duration, market or markets served, terms, quality, volume, posted prices, prices received for arm’s-length spot sales, other reliable public sources of price or market information, and such other factors as may be appropriate.
   c. “Lease Products” means any leased minerals attributable to, originating from, or allocated to this Lease.
   d. “Marketable Condition” for gas means sufficiently free from impurities, except CO₂, H₂S, and N₂, and otherwise in a condition that it will be accepted by a purchaser under a sales contract typical for the field or area.
   e. “Marketable Condition” for oil means sufficiently free from impurities and otherwise in a condition that it will be accepted by a purchaser under a sales contract typical for the field or area.
   f. “Oil” means natural crude oil or petroleum and other hydrocarbons, regardless of gravity, which are produced at the well in liquid form by ordinary production methods and which are not the result of condensation of gas after it leaves the underground reservoir, including, but not limited to, oil, casinghead gasoline, drip gasoline and natural gasoline extracted from natural gas.

2. Royalties:
The Nonparticipating Royalty shall be determined and paid as follows:
   a. The Nonparticipating Royalty Owner shall be paid a royalty equal to one-sixth (1/6th) of the gross proceeds of sale of all oil and/or gas produced and saved in any combination from the leased premises as further set forth below. The lease products shall be placed in marketable condition at no cost to the Nonparticipating Royalty Owner. The value of gross proceeds shall be increased to the extent that the gross proceeds have been reduced because the purchaser, or any other person, is providing certain services the cost of which is the responsibility of the Lessee to place lease products in marketable condition.
   b. At the sole option of the Nonparticipating Royalty Owner, and in lieu of royalty payments upon oil and/or gas produced and saved, the Nonparticipating Royalty Owner shall be delivered the credit free of cost up to one-sixth (1/6th) part of all oil and/or gas produced and saved under the terms of the Lease to facilities to which the wells may be connected.

(continued on next page)
c. Payments specified must be made on or before the twenty-fifth (25th) day of the first month following oil production sale or the second month following gas and/or plant products sale. Payments made after the due date shall include interest at the rate of 1.5% per month, or at the maximum legal rate, whichever is less, on the amount of royalty unpaid. A full month’s interest will be charged for late payments received during any portion of the month in which late payment is received.

d. Should oil be produced from any well, the gross proceeds of sale of lease products of such oil shall be free to the Nonparticipating Royalty Owner of any cost to whichever point is first encountered: 1) the point of sale to an independent nonaffiliated third party purchaser; or 2) to an affiliated purchaser, provided the sale is at prevailing market rates; or 3) the point of entry into a pipeline system, provided transportation rates are at prevailing market rates. Upon request by the Nonparticipating Royalty Owner, written justification of charges must be submitted and agreed to in writing by the Nonparticipating Royalty Owner.

e. Should gas, including casinghead gas, be produced and saved from any well, the gross proceeds of sale of lease products of said gas shall be free to the Nonparticipating Royalty Owner of any cost to whichever point is first encountered: 1) the point of entry into a facility to remove CO₂, H₂S, and N₂ or obtain plant products; or 2) the point of entry into an independent nonaffiliated third party-owned pipeline system; or 3) the point of entry into a pipeline system owned by a gas distribution company, or any subsidiary of such gas distribution company, which is regulated by the Michigan Public Service Commission; or 4) the point of entry into an affiliated pipeline system, if the rates charged by such pipeline system have been approved by the Michigan Public Service Commission, or if the rates charged are reasonable, as compared to independent pipeline systems, based on such pipeline system's location, distance, cost of service and other pertinent factors. Upon request by the Nonparticipating Royalty Owner, written justification of charges must be submitted and agreed to in writing by the Nonparticipating Royalty Owner.

f. All royalties accruing to the Nonparticipating Royalty Owner herein shall be without deduction of any costs incurred except as agreed herein. Nonparticipating Royalty Owner’s royalty is to be free and clear of all costs, claims, charges and expenses of any nature, including third party post-production costs on or off the premises except as herein provided, and except for the reasonable costs of CO₂, H₂S, and N₂ removal there shall be no deduction for the cost of gathering, separating, dehydrating, compressing or treating the gas to make it marketable. There shall be no deduction for transportation costs prior to entry of gas into a pipeline system as set forth in 2.f. (2) through (4) without the prior written consent of the Nonparticipating Royalty Owner.

As the State of Michigan is not liable for any taxes, no deduction for any taxes may be made in computing the Nonparticipating Royalty to the State.
APPENDIX F: DOCUMENTS AND FORMS

Statement of Just Compensation (PR1908-1)
Offer To Purchase (PR1908-8)
Offer to Purchase (With Land Donation)/Waiver of Just Compensation (PR1908-2)
Seller’s Waiver of Reimbursement of Incidental Expenses (PR1908-3)
Closing Statement (PR1908-9)
Acquisition Project Reimbursement Request (PR1922)
STATEMENT OF JUST COMPENSATION
Michigan Department of Natural Resources - Grants Management
Michigan Natural Resources Trust Fund Program

STATEMENT OF JUST COMPENSATION

This document is used for land acquisition grants under the Michigan Natural Resources Trust Fund (MNRTF). A separate Statement of Just Compensation form is required for each seller. Upon completion of the Statement of Just Compensation form by the local government and the landowner(s), signature by the local unit of government’s representative and all landowners (or their legal representative) is required.

SECTION A: PROJECT DESCRIPTION (to be completed by the local government)

<table>
<thead>
<tr>
<th>MNRTF Project Number:</th>
<th>MNRTF Project Title:</th>
</tr>
</thead>
<tbody>
<tr>
<td>TF</td>
<td></td>
</tr>
</tbody>
</table>

Grantee (local government pursuing the acquisition): Name of Grantee’s Representative:

Project Description/Purpose of the acquisition:

Acreage to be acquired: County of the real property:

Owners of the real property based on title records:

a. 

b. 

c.

SECTION B: LEGAL DESCRIPTION (to be completed by the local government)

A legal description for the real property must be attached to this Statement of Just Compensation form and reviewed by the landowner(s) and local unit of government before the Statement of Just Compensation form is signed.

SECTION C: JUST COMPENSATION (to be completed by the local government)

Just compensation takes into consideration the location of the property, its highest and best use, and current land sales of similar properties. An increase or decrease in the market evaluation caused by the public improvement or the project for which the property is to be acquired, or by the likelihood that the property would be acquired for such improvement or project, other than that due to the physical deterioration of the property within the reasonable control of the owner, has been disregarded in making the determination of just compensation.

1. Just Compensation, which is the Michigan Department of Natural Resources-Approved Fair Market Value, has been identified as: $ 

2. Just Compensation includes amounts for the land, improvements, severance, if any, and other elements, as follows:

<table>
<thead>
<tr>
<th>Land and Improvements:</th>
<th>$</th>
<th>□ Amount includes buildings, structures or other improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Damage to the Remainder:</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Less/Plus Other:</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Total:</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

Must be amount shown in Section C (1) above

SECTION D: FEE SIMPLE TITLE (to be completed by the local government)

ONE OF THE FOLLOWING BOXES MUST BE CHECKED:

☐ Acquisition will be of fee simple title free of all liens, encumbrances, and restrictions and with no interests reserved by the landowner.

OR

☐ Acquisition is subject to the following easements or restrictions or interests or rights to be reserved by the landowner. *

Describe below:


* IMPORTANT – All easements, restrictions, and reservations of interests by the landowner must have prior approval by the DNR. If this box is checked, the local unit of government should not proceed with the acquisition without written approval from the DNR.
SECTION E: OCCUPANTS (to be completed by the landowner)

The following persons are occupying the property as separate households or are conducting business activities:

1. Name of Occupant  
   Address of Occupant  
   City  
2. Name of Occupant  
   Address of Occupant  
   City  
3. Name of Occupant  
   Address of Occupant  
   City

| TYPE OF OCCUPANCY: |  | TYPE OF OCCUPANCY: |  | TYPE OF OCCUPANCY: |  |
|--------------------|  |--------------------|  |--------------------|  |
| Household | Lease | Household | Lease | Household | Lease |
| Business | Rental | Business | Rental | Business | Rental |

SECTION F: GRANTEE CERTIFICATION (to be completed by the local government)

1. The Just Compensation amount is based upon a DNR-approved appraisal prepared for the local government and is not less than the appraiser’s opinion of fair market value that he/she determined after a personal inspection of the property.
2. The landowners were given the opportunity to accompany the appraiser.
3. The local unit government is prepared to commence with negotiations for the purchase of this property.
4. The local government will ensure all occupants of the property are made aware of the potential relocation benefits.
5. The local government will pay all incidental costs associated with the acquisition, unless the landowner(s) waives this requirement in writing.
6. This is NOT an offer to purchase.

Grantee’s Representative Signature  
Date

SECTION G: LANDOWNER(S) CERTIFICATION (to be completed by the landowner)

1. I was offered the opportunity to accompany the appraiser over the subject land.
2. I have received a copy of this Statement of Just Compensation form, fully reviewed it, and have been advised of my rights under P.L. 91-646.
3. By signing of this statement, I acknowledge that I have completed Sections E and G. My signature acknowledges receipt of the completed Statement of Just Compensation form and places me under no obligation.

**LANDOWNER(S) SIGNATURES:**

I or my representative ☐ DID ☐ DID NOT accompany the appraiser. (ONE OF THESE BOXES MUST BE CHECKED)

<table>
<thead>
<tr>
<th>Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td></td>
</tr>
</tbody>
</table>

I or my representative ☐ DID ☐ DID NOT accompany the appraiser. (ONE OF THESE BOXES MUST BE CHECKED)

<table>
<thead>
<tr>
<th>Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>b)</td>
<td></td>
</tr>
</tbody>
</table>

I or my representative ☐ DID ☐ DID NOT accompany the appraiser. (ONE OF THESE BOXES MUST BE CHECKED)

<table>
<thead>
<tr>
<th>Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>c)</td>
<td></td>
</tr>
</tbody>
</table>

This completed and signed document must be submitted with the Reimbursement Package to:

Grants Management  
Michigan Department of Natural Resources  
PO Box 30425  
Lansing MI 48909-7925

PR1908-1 (Rev. 12/21/2016)

IC1908 (Rev. 11/29/2018)
OFFER TO PURCHASE
Michigan Department of Natural Resources - Grants Management
Michigan Natural Resources Trust Fund Program

OFFER TO PURCHASE

This Offer to Purchase form is used for land acquisition grants under the Michigan Natural Resources Trust Fund (MNRTF) when the Cash Compensation amount is at least equal to the Just Compensation/Offer to Purchase amount. A separate Offer to Purchase form is required for each seller. Upon completion of the Offer to Purchase form by the Local Government/Buyer and the Landowner/Seller(s), signature by the local unit of government’s representative and all landowners (or their legal representative) is required. An alternative to this document may be used if it contains the same information.

SECTION A: PROJECT DESCRIPTION (to be completed by the local government)

MNRTF Project Number: ______________
MNRTF Project Title: ______________

SECTION B: BUYER INFORMATION (The Buyer is the MNRTF grantee/local government pursuing the acquisition)
Name of Local Government/Buyer: __________________________
Name of Local Government/Buyer’s Representative: __________________________
Address of Local Government/Buyer: __________________________
City __________________________ State ______________ ZIP ______________

SECTION C: SELLER(S) INFORMATION (Owners of the real property based on title records)

<table>
<thead>
<tr>
<th>Name of Seller</th>
<th>Address of Seller</th>
<th>City</th>
<th>State</th>
<th>ZIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>__________________________</td>
<td>__________________________</td>
<td>__________________________</td>
<td>______________</td>
<td>______________</td>
</tr>
</tbody>
</table>

SECTION D: LEGAL DESCRIPTION (to be completed by the local government)
A legal description for the real property must be attached to this Offer to Purchase form and reviewed by the landowner(s) and local unit of government before the Offer to Purchase form is signed.

SECTION E: JUST COMPENSATION (to be completed by the local government)
Just Compensation, which is the Michigan Department of Natural Resources-Approved Market Value, has been identified as: __________________________

SECTION F: OFFER TO PURCHASE PRICE (to be completed by the local government)
An Offer to Purchase has been made in the amount of __________________________
(DNR-approved market value or higher): __________________________

SECTION G: LOCAL GOVERNMENT/BUYER CERTIFICATION
By signing this statement, the Local Government/Buyer offers to purchase the property for the price listed in Section F and to pay the incidental closing costs, unless waived by the Landowner/Seller.

Local Government’s Representative Signature __________________________ Date ______________

SECTION H: LANDOWNER/SELLER(S) CERTIFICATION
By signing this statement, the Landowner/Seller(s) certifies the following:
1. I have been provided with a Statement of Just Compensation.
2. I accept this Offer to Purchase.

a) Landowner or Owner’s Legal Representative __________________________ Date ______________

b) Landowner or Owner’s Legal Representative __________________________ Date ______________

c) Landowner or Owner’s Legal Representative __________________________ Date ______________

This completed and signed document must be submitted with the Reimbursement Package to:
Grants Management
Michigan Department of Natural Resources
Po Box 30425
Lansing MI 48909-7925

PR1908-8 (Rev. 12/22/2016)
This document is to be used for land acquisition grants under the Michigan Natural Resources Trust Fund (MNRTF). A separate document is required for each seller. Upon completion of the document by the local government and the landowner(s), signature by all landowners (or their legal representative) is required.

**SECTION A: PROJECT DESCRIPTION**

<table>
<thead>
<tr>
<th>MNRTF Project Number:</th>
<th>MNRTF Project Title:</th>
</tr>
</thead>
</table>

Grantee (local government pursuing the acquisition):

**SECTION B: SCHEDULE OF INCIDENTAL EXPENSES**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recording Fees</td>
<td>$</td>
</tr>
<tr>
<td>Transfer Tax</td>
<td>$</td>
</tr>
<tr>
<td>Title Insurance</td>
<td>$</td>
</tr>
<tr>
<td>Appraisal</td>
<td>$</td>
</tr>
<tr>
<td>Prorated Taxes</td>
<td>$</td>
</tr>
<tr>
<td>Closing fees (excluding attorney fees)</td>
<td>$</td>
</tr>
</tbody>
</table>

Total ELIGIBLE Incidental Expenses $ 

**SECTION C: WAIVED INCIDENTAL EXPENSES**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
</table>

Of the incidental expenses listed under Section B, the landowner has agreed to waive reimbursement of:

- All incidental expenses; OR
- The following incidental expenses:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
</table>

Total WAIVED Incidental Expenses $

**SECTION D: LANDOWNER/SELLER(S) CERTIFICATION**

By signing this document, I certify that of my own choice, I have elected to waive reimbursement for the incidental expenses listed under Section C, for the following reasons:

____________________________

**LANDOWNER(S) SIGNATURE:**

a) Landowner/Seller or Landowner’s/Seller’s Legal Representative Signature: __________________________ Date: __________

b) Landowner/Seller or Landowner’s/Seller’s Legal Representative Signature: __________________________ Date: __________

c) Landowner/Seller or Landowner’s/Seller’s Legal Representative Signature: __________________________ Date: __________

This completed and signed document must be submitted with the Reimbursement Package to:

Grants Management
Michigan Department of Natural Resources
PO Box 30425
Lansing MI 48909-7925

PR1908-3 (Rev. 12/22/2016)
OFFER TO PURCHASE (WITH LAND DONATION)/WAIVER OF JUST COMPENSATION

Michigan Department of Natural Resources - Grants Management
Michigan Natural Resources Trust Fund Program

OFFER TO PURCHASE (WITH LAND DONATION)/WAIVER OF JUST COMPENSATION


This document is to be used for land acquisition grants under the Michigan Natural Resources Trust Fund (MNRTF) when the acquisition includes donation of land value. A separate Offer to Purchase (with Land Donation)/Waiver of Just Compensation form is required for each seller. Upon completion of the document by the Local Government/Buyer and the Landowner/Seller(s), signature by the local government and all of the landowners (or their legal representative) is required.

SECTION A: PROJECT DESCRIPTION (to be completed by the local government)

<table>
<thead>
<tr>
<th>MNRTF Project Number:</th>
<th>MNRTF Project Title:</th>
</tr>
</thead>
<tbody>
<tr>
<td>TF</td>
<td></td>
</tr>
</tbody>
</table>

SECTION B: Buyer Information (The Buyer is the MNRTF grantee/local government pursuing the acquisition)

<table>
<thead>
<tr>
<th>Name of Local Government/Buyer:</th>
<th>Name of Local Government/Buyer’s Representative:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Address of Local Government/Buyer:</th>
<th>City</th>
<th>State</th>
<th>ZIP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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</table>

SECTION C: Landowner/Seller(s) Information (Owners of the real property based on title records)

<table>
<thead>
<tr>
<th></th>
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</table>

<table>
<thead>
<tr>
<th>Address of Landowner/Seller</th>
<th>Address of Landowner/Seller</th>
<th>Address of Landowner/Seller</th>
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<tbody>
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<td></td>
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<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>ZIP code</th>
</tr>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>ZIP code</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SECTION D: Legal Description (to be completed by the local government)

A legal description for the real property must be attached to this document and reviewed by the landowner(s) and local unit of government before the document is signed.

SECTION E: Just Compensation (to be completed by the local government)

Just Compensation, which is the Michigan Department of Natural Resources-Approved market value, has been identified as: $____

SECTION F: Offer To Purchase Price (to be completed by the local government)

An Offer to Purchase has been made in the amount of (DNR-Approved market value or higher): $____

SECTION G: Cash Compensation And Value Of Land Donation (to be completed by the landowner)

1. The landowner has voluntarily agreed to accept Cash Compensation in the amount of: $____

2. The difference between the Just Compensation/Offer to Purchase Amount and the Cash Compensation Amount is: $____
   (This represents a donation of land value from the Landowner/Seller(s) to the Local Government/Buyer)

SECTION H: LOCAL GOVERNMENT/BUYER CERTIFICATION

By signing this document, the Local Government/Buyer certifies the following:

1. The Local Government/Buyer as listed in Section B offers to purchase the property described under Section D for the purchase price listed in Section F and to pay the incidental closing costs, unless waived by the Landowner/Seller(s).

2. Cash compensation in the amount listed in Section G will be provided at the time of closing. The difference in the Just Compensation/Offer to Purchase price and the Cash Compensation amount as listed in Section G represents a donation of land value.

3. The value of the land donation may be used by the local government to meet all or a portion of their match obligations for the MNRTF grant, with prior approval from the Michigan Department of Natural Resources and the MNRTF Board. Approved land donation will, at the time of closing, be a credit to the Local Government/Buyer and a debit to the Landowner/Seller(s).

Local Government’s Representative Signature: __________________________Date: ____________

SECTION I: LANDOWNER/SELLER(S) CERTIFICATION (to be completed by the landowner/seller)

Local Government’s Representative Signature: __________________________Date: ____________
By signing this document, the Landowner/Seller(s) certifies the following:

1. I have been provided with a Statement of Just Compensation.

2. Of my own choice, I have elected to accept the Cash Compensation Amount listed in Section G.1., which is less than the Just Compensation/Offer to Purchase price, as based on the DNR-approved market value. The difference represents a donation of land value to the Local Government/Buyer. I understand that the value of the land donation may be used by the local government to meet their match obligations for a MNRTF grant with prior approval of the DNR.

3. I accept this Offer to Purchase and the Cash Compensation Amount.

4. The reason(s) I am accepting cash compensation in an amount less than the Just Compensation/Offer to Purchase is:

<table>
<thead>
<tr>
<th>Reason(s)</th>
<th>Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>a)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This completed and signed document must be submitted with the Reimbursement Package to:

Grants Management
Michigan Department of Natural Resources
PO Box 30425
Lansing MI 48909-7925
## CLOSING STATEMENT

**Michigan Department of Natural Resources - Grants Management**  
**Michigan Natural Resources Trust Fund Program**

This document is to be used for land acquisition grants under the Michigan Natural Resources Trust Fund (MNRTF). A separate document is required for each seller. Upon completion of the document by the local government and the landowner(s), signature by the local unit of government’s representative and all landowners (or their legal representative) is required. An alternative to this document may be used if it contains the same information.

### PROJECT DESCRIPTION

<table>
<thead>
<tr>
<th>MNRTF Project Number:</th>
<th>TF</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Grantee (local government pursuing the acquisition):</th>
<th>Name of Grantee’s Representative:</th>
</tr>
</thead>
</table>

Owner(s) of the real property based on title records:

<table>
<thead>
<tr>
<th>a.</th>
<th>b.</th>
<th>c.</th>
</tr>
</thead>
</table>

### BUYER’S STATEMENT

<table>
<thead>
<tr>
<th>CHARGES (Debits)</th>
<th>Amount</th>
<th>CHARGES (Debits)</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Price</td>
<td>$</td>
<td>Title Insurance</td>
<td>$</td>
</tr>
<tr>
<td>Title Insurance</td>
<td>$</td>
<td>Revenue Stamps</td>
<td>$</td>
</tr>
<tr>
<td>Prorated Summer Taxes*</td>
<td>$</td>
<td>Prorated Summer Taxes</td>
<td>$</td>
</tr>
<tr>
<td>Prorated Winter Taxes*</td>
<td>$</td>
<td>Prorated Winter Taxes</td>
<td>$</td>
</tr>
<tr>
<td>Recording Fees</td>
<td>$</td>
<td>Recording Fees</td>
<td>$</td>
</tr>
<tr>
<td>Revenue Stamps</td>
<td>$</td>
<td>Miscellaneous (including Land Donation)</td>
<td>$</td>
</tr>
<tr>
<td>Closing Fee (excluding attorney fees)</td>
<td>$</td>
<td>TOTAL CHARGES</td>
<td>$</td>
</tr>
</tbody>
</table>

### SELLER’S STATEMENT

<table>
<thead>
<tr>
<th>CHARGES (Debits)</th>
<th>Amount</th>
<th>CHARGES (Debits)</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Price</td>
<td>$</td>
<td>Title Insurance</td>
<td>$</td>
</tr>
<tr>
<td>Title Insurance</td>
<td>$</td>
<td>Revenue Stamps</td>
<td>$</td>
</tr>
<tr>
<td>Prorated Summer Taxes*</td>
<td>$</td>
<td>Prorated Summer Taxes</td>
<td>$</td>
</tr>
<tr>
<td>Prorated Winter Taxes*</td>
<td>$</td>
<td>Prorated Winter Taxes</td>
<td>$</td>
</tr>
<tr>
<td>Recording Fees</td>
<td>$</td>
<td>Recording Fees</td>
<td>$</td>
</tr>
<tr>
<td>Revenue Stamps</td>
<td>$</td>
<td>Miscellaneous (including Land Donation)</td>
<td>$</td>
</tr>
<tr>
<td>Closing Fee (excluding attorney fees)</td>
<td>$</td>
<td>TOTAL CHARGES</td>
<td>$</td>
</tr>
</tbody>
</table>

### CREDITS

<table>
<thead>
<tr>
<th>Option</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Price</td>
<td>$</td>
</tr>
<tr>
<td>Miscellaneous (including Land Donation)</td>
<td>$</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CREDITS</th>
<th>TOTAL CREDITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option</td>
<td>$</td>
</tr>
<tr>
<td>Purchase Price</td>
<td>$</td>
</tr>
<tr>
<td>Miscellaneous (including Land Donation)</td>
<td>$</td>
</tr>
</tbody>
</table>

### BALANCE DUE COMPUTATION

<table>
<thead>
<tr>
<th>TOTAL CHARGES</th>
<th>LESS TOTAL CREDITS</th>
<th>BALANCE DUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

### NET DUE COMPUTATION

<table>
<thead>
<tr>
<th>TOTAL CREDITS</th>
<th>LESS TOTAL CHARGES</th>
<th>NET DUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

---

*Taxes paid that are allocable to a period subsequent to vesting of title in the buyer or effective date of possession by the buyer, whichever is earlier.

I/We consider the foregoing to be correct accounting and hereby acknowledge that I/we have received a copy of this closing statement.

Buyer’s Representative Signature
Date

---

This completed and signed document must be submitted with the Reimbursement Package to:

Grants Management  
Michigan Department of Natural Resources  
PO Box 30425  
Lansing MI 48909-7925
This document is to be used for land acquisition grants under the Michigan Natural Resources Trust Fund (MNRTF) to request reimbursement for grant costs incurred. A separate request is required for each seller.

### PROJECT DESCRIPTION

<table>
<thead>
<tr>
<th>MNRTF Project Number</th>
<th>MNRTF Project Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>TF</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Grantee (local government pursuing the acquisition)</th>
<th>Name of Grantee’s Representative</th>
<th>Grantee’s Federal Identification No.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Address of Grantee’s Representative:</th>
<th>Telephone No. of Grantee’s Representative</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>City, State, ZIP</th>
<th>County</th>
</tr>
</thead>
</table>

Owner(s) of the real property based on title records:

- a. The project consists of acquisition from:
  - (Check one) ☐ A SINGLE SELLER ☐ MULTIPLE SELLERS
- b. If there are multiple sellers, have all parcels in the project area been acquired? (Check one) ☐ Yes ☐ No
- c. If there are multiple sellers, have all reimbursement requests been submitted? (Check one) ☐ Yes ☐ No

If NO has been checked for either 7.b. or 7.c., include a letter of explanation and status on the remaining parcels.

The Department of Natural Resources (DNR) may delay payment processing until the entire project area has been acquired.

### Acres acquired (this seller): Total acres acquired (all sellers): Waterfront acquired this seller: Total Waterfront acquired (all sellers): (in linear feet) (in linear feet)

<table>
<thead>
<tr>
<th>DNR-approved Market Value (this seller):</th>
<th>Purchase Price (including value of any approved land donation) for this seller:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

### REIMBURSEMENT REQUEST INFORMATION

This request is for (check one) ☐ PARTIAL PAYMENT (multiple purchases only) ☐ FINAL PAYMENT

In the following table list all the incidental expenses for this parcel which are eligible for reimbursement. Refer to the Acquisition Project Procedures booklet for guidance on eligible costs.

<table>
<thead>
<tr>
<th>AMOUNT PAID</th>
<th>INVOICE / RECEIPT #</th>
<th>CANCELLED CHECK #</th>
<th>DNRE USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recording Fees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer Tax</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title Insurance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appraisal(s)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prorated Taxes ●</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sign (including photo)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Closing fees (excluding attorney fees)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title Search</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Assessment Costs</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL**

● Taxes paid that are allocable to a period subsequent to vesting of title in the agency or effective date of possession by the agency, whichever is earlier.

I certify that all provisions of the MNRTF Program have been followed for the acquisition of land listed above. Further, the information listed above is true, correct, and complete and lists all incidental costs to which the seller(s) are entitled under P.L. 91-646 and P.A. 227 of 1972.

Signature of Grantee’s Representative

Date

**ACQUISITION PROJECT REIMBURSEMENT REQUEST (continued)**

Page 1 of 2

PR1922 (Rev 12/22/2016)
Submit this document with **all required attachments** as explained in the *Acquisition Project Procedures* booklet, including a copy of the recorded property deed, the original recorded mineral deed or royalty interest, documentation of expenditures (cancelled checks), a boundary map, and all required documents to:

**Grants Management**  
**Michigan Department of Natural Resources**  
PO Box 30425  
Lansing MI 48909-7925

<table>
<thead>
<tr>
<th>FOR MICHIGAN DNR USE ONLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total acquisition expenditures for property listed on this billing (including incidental costs eligible under P.L. 91-646) or State-approved appraisal amount, whichever is less: $</td>
</tr>
<tr>
<td>Michigan Natural Resources Trust Fund Grant Amount: $</td>
</tr>
<tr>
<td>Michigan Natural Resources Trust Fund portion, which is at least ____________%, of total acquisition expenditures: $</td>
</tr>
<tr>
<td>Less ____________% Pending Audit: $</td>
</tr>
<tr>
<td>Amount Due: $</td>
</tr>
</tbody>
</table>

__________________________  ________________
SIGNATURE, DNR PAYMENT OFFICER  DATE

__________________________  ________________
SIGNATURE, DNR GRANT COORDINATOR  DATE
APPENDIX G: MAP OF GRANT COORDINATOR’S REGIONAL ASSIGNMENTS

Michigan Department of Natural Resources

RECREATION GRANT COORDINATORS REGIONAL ASSIGNMENTS

<table>
<thead>
<tr>
<th>REGIONS</th>
<th>GRANT COORDINATOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 &amp; 10</td>
<td>Merrie Carlock (517) 284-5931 <a href="mailto:carlockm@michigan.gov">carlockm@michigan.gov</a></td>
</tr>
<tr>
<td>2 &amp; 4</td>
<td>Tamara Jorkasky (517) 284-5948 <a href="mailto:jorkaskyt@michigan.gov">jorkaskyt@michigan.gov</a></td>
</tr>
<tr>
<td>3, 5 &amp; 6</td>
<td>Lindsay Ross (517) 284-5916 <a href="mailto:rossl7@michigan.gov">rossl7@michigan.gov</a></td>
</tr>
<tr>
<td>7, 8 &amp; 9</td>
<td>Erin Campbell (517) 284-5957 <a href="mailto:campbell66@michigan.gov">campbell66@michigan.gov</a></td>
</tr>
</tbody>
</table>

Additional Grants Management Contacts

Dan Lord, Section Manager, 517-290-5603, lordd1@michigan.gov
Rachel Schumaker, Assistant to the Section Manager and MNRTF Board Secretary, (517) 284-7268, schumakerr@michigan.gov
Jon Mayes, Unit Manager, Recreation Grants (517) 284-5954, mayesj@michigan.gov
Christie Bayus, Program Manager, LWCF/Marine Safety/Recreation Passport Programs, (517) 284-5923, bayusc@michigan.gov
Kammy Frayre, Program Manager, Invasive Species/Clean Vessel Act Grant Programs and Conversions Officer, (517) 284-5970, frayrek1@michigan.gov
Michelle Ballard, Grants Payment Officer, LWCF/Aquatic Habitat/Dam Management Programs, (517) 284-5974, ballardm3@michigan.gov
Lance Brooks, Grants Payment Officer and MiRecGrants Analyst, Wildlife Habitat/Marine Safety/Recreation Passport/Invasive Species Grant Programs, (517) 284-5971, brooksl@michigan.gov
Chip Kosloski, Program Manager, Dam Management, Aquatic Habitat, Wildlife Habitat Grant Programs, (517) 284-5965, kosloskic3@michigan.gov
Michael Chuff, Financial Analyst, MNRTF, (517) 284-5951, chuffm@michigan.gov

IC1905D (Rev. 11/29/2017)