HONIGMAN

Real Estate Alert

March 17, 2009

If you have questions regarding the information in this bulletin or would like to receive additional information regarding our national real estate practice, you may contact any of these attorneys by e-mail (address is their first initial and last name @honigman.com):

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Honigman's Eminent Domain Practice

The recently-passed economic stimulus bill contains significant appropriations for public works which are certain to result in improvements and additions to Michigan's infrastructure of highways, bridges and roads, in addition to other public uses. This means that there is a very real prospect that agencies of the Michigan government will be seeking to acquire private property in fee simple, or to procure easements with respect to that private property, in the near future. The attorneys at Honigman have substantial experience in this area and are available to assist you should the government seek to acquire your property.

The Power of Eminent Domain and Just Compensation

When the state government or one of its political or other subdivisions seeks to acquire an interest in real property (the so-called "power of eminent domain"), it must pay just compensation for the taking of that property. If the taking of a portion of a piece of property for public use negatively affects the value of the remainder of the property, the diminution in the value of the remainder of the property is also compensable.

Representatives of state government will typically make offers to purchase interests in property which they seek to acquire for public uses, and it is often possible to negotiate a higher price for the acquisition of the property than what is offered. If negotiations are unsuccessful, the state government can institute condemnation lawsuits to acquire the property, but they are required to pay the fair market value of the property taken at its highest and best use, a determination that is made by a jury.

Honigman's Eminent Domain Practice

Our office has substantial experience in representing owners of property whose interests are sought to be acquired by the state government, and we would be pleased to assist you if the government seeks to acquire your property.

If you are interested in learning more about our practice, or if you require our assistance in connection with these actions by the state government, please contact one of the partners of Honigman's real estate department listed to the left, or our litigation department co-chair, Norman Ankers, who has long been recognized as a *Best Lawyer in America* in the field of eminent domain, at NAnkers@honigman.com.

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