



ENVIRONMENTAL ADVISORY SERVICES VALUE ASSURANCE PROGRAMS (VAP)

An environmental accident, increased noise from an airport expansion or plans for a new landfill often make property owners anxious that the value of their homes – which are close to real or perceived environmental threats – may be adversely affected. Concerns over a potential drop in market value of what is often an individual's most valuable asset can quickly lead to litigation. Value Assurance Programs (VAP) are proactive measures used to address adverse public sentiment on potential property value effects from neighborhood nuisances and other environmental issues.

VAPs assure current and future residents that the full market value of their homes will be protected in the event of a sale, refinancing, equity loan or any other transaction in which market value is relevant. In addition, VAPs can yield excellent public relations benefits, since the VAP sponsor demonstrates community concern, support and leadership.

THE A&M ADVANTAGE

Alvarez & Marsal's Environmental Advisory Services professionals are a multi-disciplinary team with hands-on experience in providing environmental risk mitigation solutions and litigation consulting services. We work to ensure that the right steps are taken to bring quick and favorable resolution to environmental matters.

A&M's senior real estate counselors, appraisers and economists bring unrivaled hands-on experience in developing, analyzing and implementing VAPs. When circumstances demand a response to property owners, our experienced team can evaluate markets, design effective VAPs, and participate in or lead public outreach and education efforts to describe proposed solutions, while addressing the concerns of all stakeholders.

BENEFITS OF IMPLEMENTING VALUE ASSURANCE PROGRAMS

Build Public Trust

VAPs reinforce efforts to show the public that the sponsor is interested in protecting property values in the face of real or perceived environmental threats.

Take a Proactive Approach

VAPs are often used as a proactive measure to avoid litigation or as a tool in settlement negotiations.

Facilitate Normal Market Activity

By providing property value assurance to sellers, as well as other program participant benefits, VAPs are designed to facilitate continued normal market activity and add liquidity to the marketplace.

Make Compensation Payments Only When Properties Sell at Less Than Market Value

Properties enrolled in a VAP are expected to trade at or near market value. However, if a property owner is unable to sell for market value, the VAP sponsor compensates the seller for the shortfall.

OUR SERVICES

We collaborate with clients to understand the issues driving the need for VAPs. Our team then meets with local stakeholders, including real estate professionals, lenders, public officials and property owners, to ensure market wide understanding of VAPs and their benefits – prior to implementation. A&M professionals provide:

- Market Analysis
- Mapping Using Geographic Information Systems (GIS)
- Program Design and Testing
- Public Outreach and Education
- Implementation of the VAP
- Maintenance and Monitoring
- Administration
- Expert Testimony



ABOUT ALVAREZ & MARSAL GLOBAL FORENSIC AND DISPUTE SERVICES

Alvarez & Marsal (A&M) is a global professional services firm specializing in turnaround and interim management, performance improvement and business advisory services. A&M delivers specialist operational, consulting and industry expertise to management and investors seeking to accelerate performance, overcome challenges and maximize value across the corporate and investment lifecycles. Founded in 1983, the firm is known for its distinctive restructuring heritage, hands-on approach and relentless focus on execution and results.

A&M's global forensic and dispute services practice has set a new standard for bringing a practical, results-oriented approach to solving problems related to business investigations, complex disputes and regulatory interventions. From the boardroom to the courtroom, the firm delivers a wide array of solutions to contentious situations by drawing on the deep skills, diverse disciplines and experiences of its professionals who offer a unique ability to articulate complex findings in a clear and meaningful manner. To learn more, visit www.alvarezandmarsal.com.

* Note: Alvarez & Marsal employs CPAs but is not a licensed CPA firm.