

SUPREME COURT OF VIRGINIA

Ramsey v. Commissioner of Highways

Ramsey · No. Record No. 140929 · Decided April 16, 2015

SUMMARY

The Supreme Court of Virginia held that a pre-settlement appraisal prepared under Virginia’s eminent-domain statutes was not an inadmissible settlement offer. The appraisal’s determination of the property’s fair market value was admissible as evidence, although its admission remained subject to the Virginia Rules of Evidence. The court reversed the trial court’s judgment and remanded for further proceedings.

CASE DETAILS

COURT	Supreme Court of Virginia
WRITING FOR THE COURT	Justice Cleo E. Powell; All the Justices
JURISDICTION	Virginia
DECIDED	April 16, 2015
DOCKET	Record No. 140929
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Landowners appealed a final order in a condemnation proceeding that confirmed a jury's just-compensation award, vested title to the condemned property in the Commonwealth, and ordered the landowners to repay the Commissioner \$14,675 plus interest.
STANDARD OF REVIEW	Evidentiary rulings are generally reviewed for abuse of discretion, but the statutory-construction issue was reviewed de novo.
PRECEDENTIAL VALUE	published opinion
PARTIES	James M. Ramsey, Jr., Janet D. Ramsey v. Commissioner of Highways

TOPICS

eminent domain evidence statutory interpretation standard of review appellate procedure

PRACTICE AREAS

eminent domain real estate evidence statutory interpretation appellate procedure

QUESTIONS PRESENTED

1. Whether Virginia's eminent-domain statutes barred admission of a pre-settlement appraisal valuing the entire property when the condemning authority later asserted a lower value at trial.
2. Whether the trial court erred by treating the pre-settlement appraisal as an inadmissible offer to settle.
3. Whether the judgment should be reversed and the matter remanded for further proceedings.

HOLDINGS

1. Virginia's eminent-domain statutes do not bar admission of otherwise admissible evidence of the property's fair market value contained in an appraisal prepared before negotiations and settlement discussions began.
2. The \$500,000 valuation in the pre-settlement appraisal was relevant and its probative value was not substantially outweighed by the danger of unfair prejudice.

KEY QUOTATIONS

“The plain language of Code § 33.2-1023(H) also supports the logic that the appraisal is admissible.” (at 6)

“Accordingly, the trial court erred in finding that the Commissioner’s statement valuing the property at \$500,000 was an offer to settle and, as such, was inadmissible at trial.” (at 9)

FACTUAL BACKGROUND

The Commissioner sought to acquire .387 acres of the landowners' property for road improvements. Before negotiations began, the Commissioner obtained and provided the landowners with an appraisal valuing the entire property at \$500,000 and the acquired portion, including damages, at \$246,292. At trial, the Commissioner's later appraiser valued the entire property at \$250,000 and just compensation for the acquired portion at \$92,127, while the landowners sought to introduce the earlier appraisal as evidence of value.

PROCEDURAL HISTORY

The Commissioner initiated condemnation proceedings to acquire a portion of the landowners' property for Route 264 improvements. The circuit court excluded a pre-settlement appraisal prepared for the Commissioner, finding it was an inadmissible settlement offer, and confirmed the jury's compensation award. The landowners appealed to the Supreme Court of Virginia.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The matter was remanded for further proceedings, including application of the Virginia Rules of Evidence to any evidence of value proffered on retrial.

CASES CITED

- Dean v. Board of County Supervisors, 281 Va. 536, 708 S.E.2d 830 (2011)
- Avent v. Commonwealth, 279 Va. 175, 688 S.E.2d 244 (2010)
- Hale v. Board of Zoning Appeals, 277 Va. 250, 673 S.E.2d 170 (2009)
- United States v. 320.0 Acres of Land, 605 F.2d 762 (5th Cir. 1979)
- Department of Transp. v. Frankenlust Lutheran Congregation, 711 N.W.2d 453 (Mich. Ct. App. 2006)
- Ryan v. Davis, 201 Va. 79, 109 S.E.2d 409 (1959)
- Duncan v. State Highway Comm'n, 142 Va. 135, 128 S.E. 546 (1925)
- Gamache v. Allen, 268 Va. 222, 601 S.E.2d 598 (2004)
- Appalachian Power Co. v. Anderson, 212 Va. 705, 187 S.E.2d 148 (1972)
- Appalachian Elec. Power Co. v. Gorman, 191 Va. 344, 61 S.E.2d 33 (1950)
- Thomas v. State, 410 So. 2d 3 (Ala. 1981)