

ABNORMAL SALES CONDITIONS
4/11/07

1. Quit Claim Deed
2. Sale to/by government
 - Condemnation is also abnormal.
3. Sale to/by exempt organization
 - **It was suggested a generic list be compiled for in house use.**
 - May contact assessor's office for verification
 - Partially exempt properties are not abnormal
 - Abnormal if property is 100% exempt
4. Transfer of partial interest
 - **All our interest mean the same?**
5. Life estates
6. Sheriff or tax sale
 - Does not include the subsequent sale of property acquired from sheriff or tax sale
7. Corporate merger or reorganization
8. Condominium or townhouse sale
 - Includes planned unit developments (PUD) and cooperative apartments
9. Purchase of adjoining land
 - **What about purchase of adjacent property?**
10. Land to be operated as a unit
 - Abnormal for all property classifications except residential
 - Includes property that is part of an assemblage

11. Transfers to effect forfeiture
 - **Could this be combined with #31 Contract Forfeiture?**

12. Foreclosure and transfer in lieu of forfeiture or foreclosure
 - Paperwork for forfeiture or foreclosure action must have begun
 - Primarily pertains to mortgages

13. Sale to/by public utility or railroad

14. Exchange for other property (trade)
 - **Includes 1031 exchanges?**

15. Change in use - must be defined
 - Must be change from one property classification to another
(i.e. residential to commercial, etc.)
 - Does not include subclass changes

16. Improvements made or buildings removed after Jan. 1, of the year of the sale, but prior to the actual date of sale
 - New additions, new buildings/garages, basement/attic finish, removal of buildings/garages
 - Entire interior of home gutted and redone
 - Does not include cosmetic changes-such as updating kitchens, bath, painting, carpeting, etc.
 - Central air addition is not an improvement.
 - Fire damage must occur after January 1 but prior to the sale date to be abnormal
 - **More clarification needed?**
 - **If an assessor checks improvements, have them describe improvements at bottom of dov?**
 - **A percentage as a guideline?**

17. Sale between family members
 - Consistent with family relationships included in declaration of value instructions

18. Court ordered sale
 - Sales that are specifically ordered by the court
 - Does not include voluntary sales between ex-spouses

19. Transfer to/by estate
 - Does not include subsequent sales by heirs

20. Transfer to/by administrator, guardian conservator, referee, court appointed trustee, etc.
 - Includes various types of trusts (i.e. revocable, etc.)
 - Sales to/by custodian is considered normal except if it is a bank
 - Sales to/by power-of-attorney is not abnormal

21. Lot assessed as unplatted land
 - Includes "three-year rule"

22. Fulfillment of prior year contract
 - Does not need to be prior year contract
 - **Should this be changed to say "prior contract"?**

23. Assignment/Assumption of contract
 - Third party assumes the original contract terms for buyer or seller
 - Does not include assumption of mortgages

24. Auction sale
 - Includes sealed bids or closed bids

25. Partial assessment
 - Applies to new construction (does not include remodeling)
 - Incomplete structural changes as of January 1
26. Sale of portion of property (split or division)

27. Property assessed by two assessors

28. Property with dual classifications
 - Does not include dwellings on agricultural property
29. Sale of rented or leased property to tenant
30. Transfers to correct or modify conveyance
31. Contract forfeiture
32. Cemetery lot sales
33. Transfers that are gifts or partial gifts
34. Vacant lots
 - Commercial properties that have buildings that are not assessed are not considered vacant lots. The buildings should have a value.
 - **We currently call to verify if there is a building of some sort on this property. Should this continue?**
35. Vacant buildings
 - Must be totally unoccupied for at least one full year prior to the sale
 - Buildings used for storage are not considered a vacant building if accessed periodically.
 - Abnormal if unable to verify length of vacancy
 - **If a few boxes are stored in a corner, is that considered a vacant building?**
36. Prior year sales
 - The date of instrument is used to determine the year of the sale
37. Easements
38. No consideration
39. Offer to buy

40. Sale of land only without leased building
41. Transfer of building only on leased land
42. Transfers intended only to secure a debt or other financial obligation
43. Sale of two or more separately assessed parcels - single consideration
 - If properties are NOT contiguous or relatively close in proximity to other property owned
 - Verify with assessor's office if contiguous
 - **Would like more clarification**
44. Mobile home not converted to real estate included in sale price
 - Any mobile home which is not on a permanent foundation or has not been rendered immobile
 - Mobile home parks are not included in this abnormal sales condition
 - Modular homes that have a pier foundation and skirting are considered converted to real estate
 - Includes manufactured and modular homes
45. Sale of property by lending institution which received such property as a result of loan default, forfeiture, or foreclosure action.
 - Relocation companies are not considered lending institutions
 - Entities that service loans or buy mortgages (but do not originate loans) are not considered lending institutions
 - A running list is kept by the Department of various lending institutions
46. Sale with consideration paid for real property of \$5,000 or less (line 3 of the declaration of value).
47. Two or more dwellings

Additional comments-If an assessor feels that a sale is abnormal, they should send the supporting documentation along with the dov. We can then make an informed decision.

In house-would like clarification of bi-attached home and zero lot line and PUD (plan unit development).

Bowling alleys have considerable personal property leased. Is that correct?

Has there been proper notification of the change in assessment of car wash equipment (it is not real property as of 1/1/06)?

What is a memorandum of contract?

Personal property included in sale price-if an amount was negotiated between seller and buyer the sale price is adjusted. If value is estimated by seller, buyer or agent, it is abnormal. Apartments-if only appliances, sale is normal without adjusting the sale price.

Abnormal sales

- Bi-attached and zero lot line property (includes patio homes)
- Sale by a franchisee to the franchiser
- Red tagged property
- Minimum assessment agreement
- Property changing into or out of Section 42 Housing after the sale (normal if not changing)

Sales to/by employee relocation companies

- Assessors have made several comments about these sales indicating they believe they are abnormal.
- Should assessors be notified of the use of relocation company sales?