



MINNESOTA ASSOCIATION *of* ASSESSING OFFICERS

Sales Verification: There is no such thing as a “bad” sale

Presented By:

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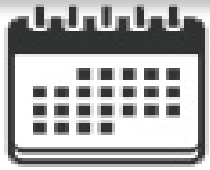
Angela Gonzalez- MN DOR Data Analysis

Amanda Imes - MN DOR Data Analysis

Jason McCaslin – Jackson/Watonwan Counties

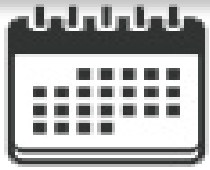
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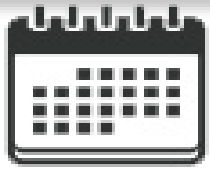
Agenda

- ✓ Sale Verification Overview – Basics and Best Practices
- ✓ Access Database for Sales Verification
- ✓ Commercial and Industrial Verification Problems
- ✓ DOR Sales Ratio Team – Criteria Update
- ✓ DOR Sales Verification Memo
- ✓ DOR Reject Codes Discussion



Agenda

- ✓ **Sale Verification Overview – Basics and Best Practices**
- ✓ Access Database for Sales Verification
- ✓ Commercial and Industrial Verification Problems
- ✓ DOR Sales Ratio Team – Criteria Update
- ✓ DOR Sales Verification Memo
- ✓ DOR Reject Codes Discussion



Agenda

- ✓ Sale Verification Overview – Basics and Best Practices
 - ✓ Good and Bad Sales? Good and Bad Ratios?
 - ✓ Overview of Validation Guidelines from IAAO Standards on Ratio Studies
 - ✓ Takeaways from the IAAO Assessment Practices Evaluation Guide
 - ✓ Story Time – Share our Favorite Sale Verification Experiences

Good vs. Bad Sales



Good vs. Bad Sales

Cherry-Picking:

“Categorizing as usable only sales that are close to the assessor’s values”

IAAO – Fundamentals of Mass Appraisal



DOR DEFINITION OF A BAD SALE?

- There isn't one!
- There is Reject Criteria
 - New Construction
 - Old Sales
 - Splits
 - Properties in more than one county
 - Etc.



“Good” and “Bad” Sales

MINNESOTA - REVENUE	
Sales Ratio Reject Code Sheet	
Verification	
Form Codes: Reasons for Rejection	
01	Old sales outside of the 21-month study period Do not exclude sales within the 21-month study period
02	Relative sale - Related business
03	Government or exempt party sales
04	Partial interest sale
05	Use change (change of legal property class)
06	Unusual financing; Non-cash financing; Income guarantees
07	Physical change (after assessment date, before sale)
08	Correction deed, not an actual sale
09	Trade, Gift, or Estate sale not exposed to open market
10	Prior interest sale, such as lease with option to buy
11	Skipped CRV number; Used to indicate that auditor's number was not used
12	Unique reject reason that Department of Revenue Regional Representative must authorize
13	Duplicate CRV; Buyer and seller file certificate for same parcel, used in Dept of Revenue duplicate edit
14	Sale of interest in or payoff of contract; Mortgage assumption
15	Forced sale; Legal action; Foreclosure; Short sale;
16	Assessor value for sale year not available or split not agricultural or timber classes
17	Excessive non-real property
18	Rewrite of terms; Default on CD
19	Relocation; Employee transfer
20	Sale - Lasseback property leased back to seller, for more than 6 months
21	Bank sale (including HUD sales), and lending institution sales not exposed to the market
22	Less than minimum down payment with CD longer than 1 year
23	Sale under minimum dollar amount - 3,000 minimum for bare land sales - 10,000 minimum for all other property types
24	Sale of properties in more than one county
25	Ag preserve; Sales subject to minimum assessment agreement
26	Not typical market
27	Court ordered value
28	Nursing home - Mobile home park
29	Allocated sale price
30	Assessor's value restricted by plat law; First year only
31	Assemblage



Use change example
agricultural land sold for
development

With 31 legitimate reasons, it's
sometimes possible to “make one fit”
Don't selectively include/exclude sales
by altering verification practices

“Good” and “Bad” Sales



Takeaways:

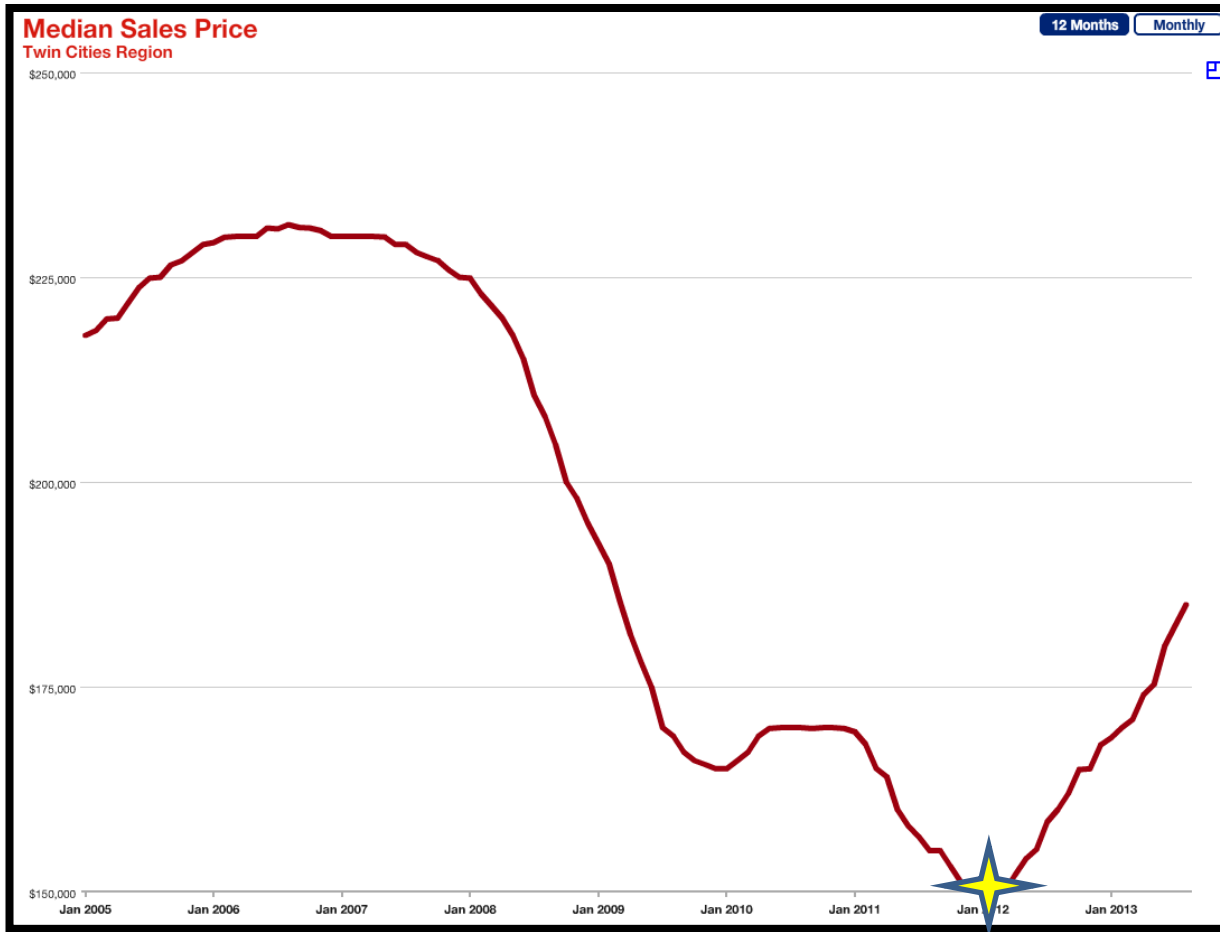
- **“Good” versus “Bad” may just be a label**
 - Consider the purpose of the study/analysis
 - Are you looking at your state ratio or responding to market? Both?
- **Use all appropriate market data available**
 - A “bad” sale may still tell you good information
 - A lack of a state study ratio doesn’t mean there shouldn’t be study
- **Communicate with your Property Tax Compliance Officer**
 - The state’s ratio is what actually counts
 - That study may need sales added/removed

DOES VALUE TODAY = VALUE AT PREVIOUS ASSESSMENT DATE?



**100%
Ratio!!!
NAILED IT!**

“Good” and “Bad” Ratios



THETHING

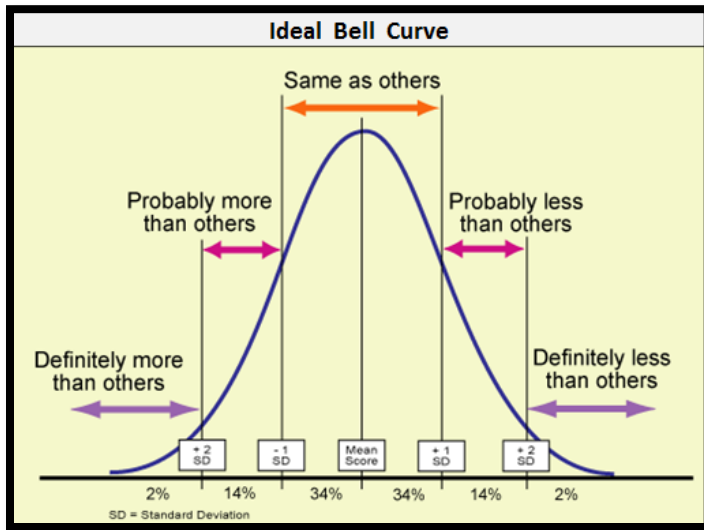
PRESENTED BY:



MINNEAPOLIS AREA Association
of REALTORS®

- **Consider unadjusted ratios of 100% vs. 80%, which is better?**
 - Market conditions usually change over time
 - Assessors are not expected to predict the future

“Good” and “Bad” Ratios

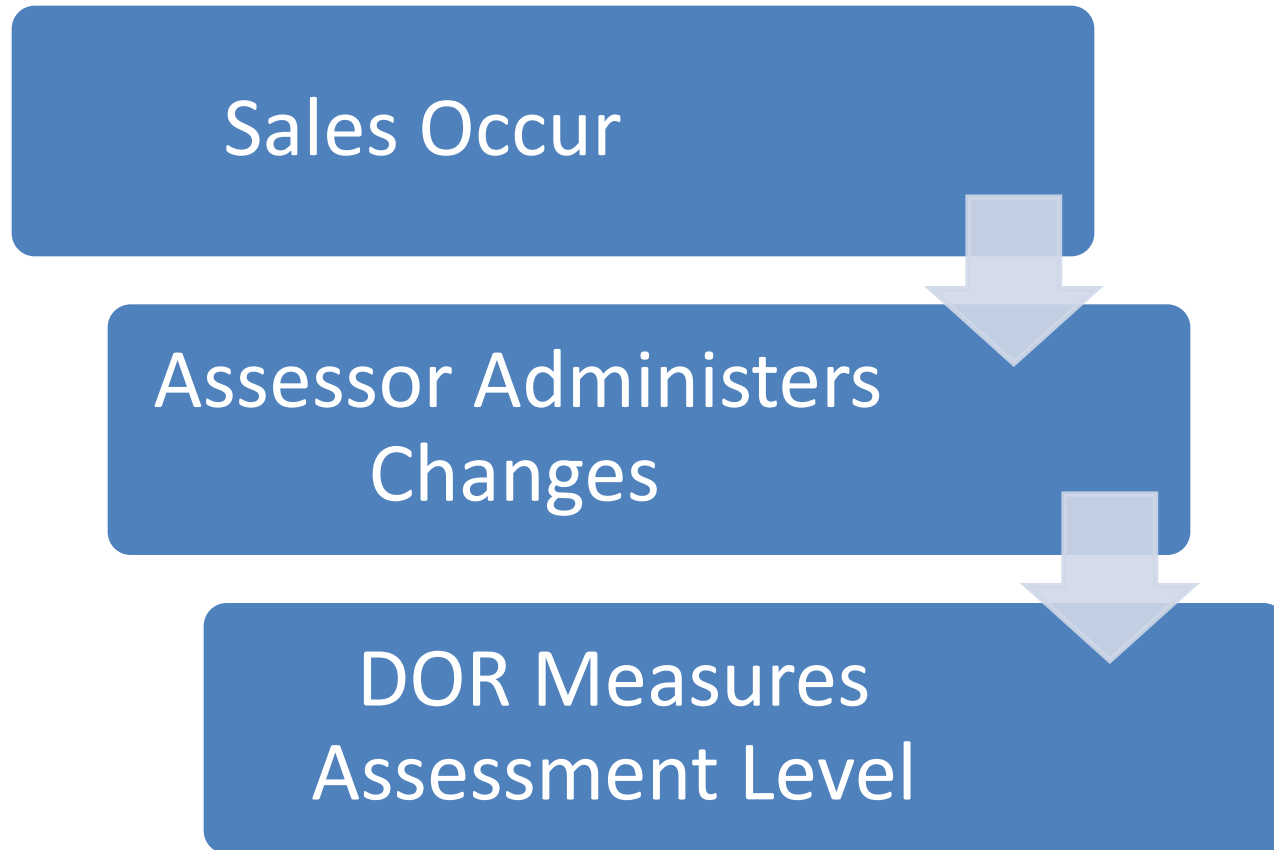


Every ratio is telling you a story. If it's way off it might be telling you a very important story!

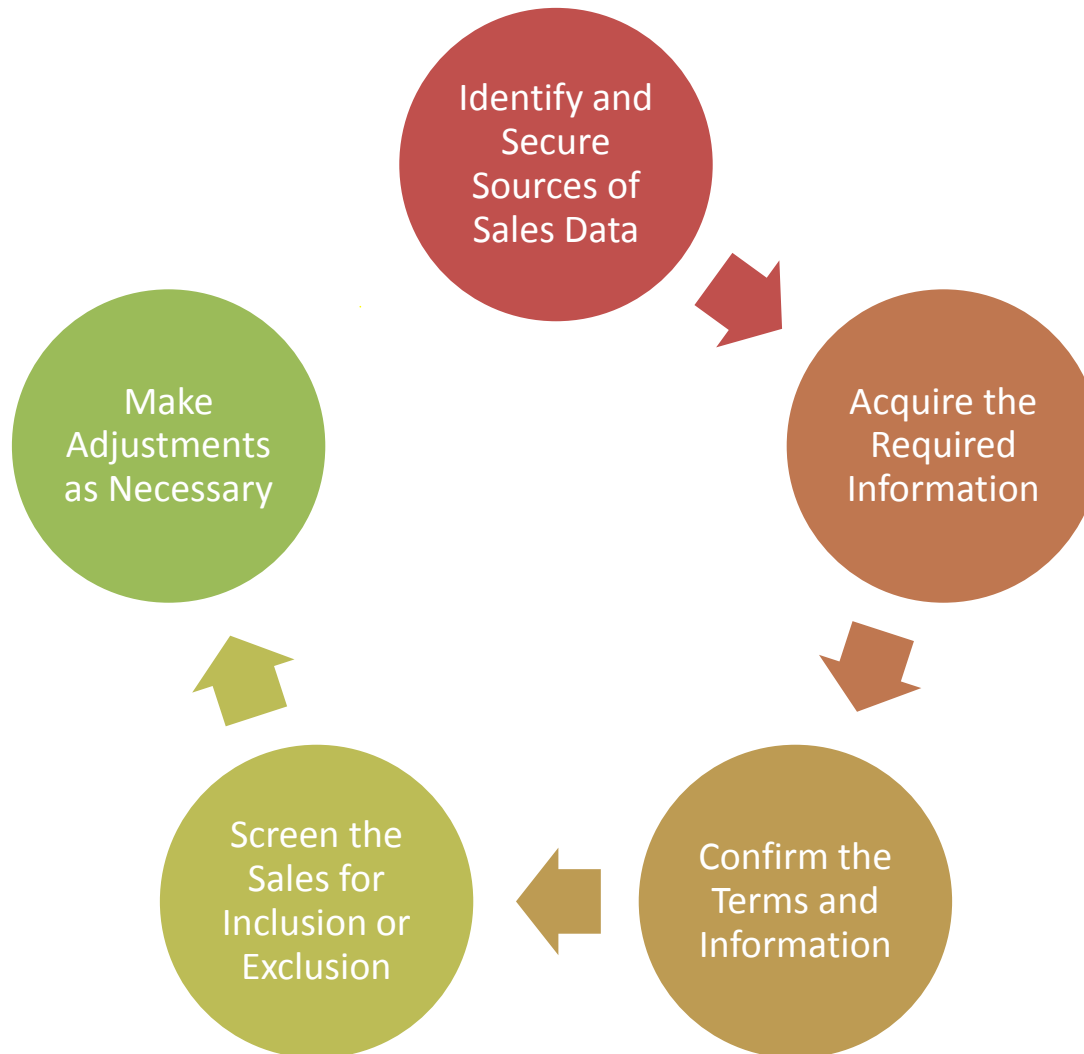
If a direct ratio is not at 100% don't panic, if it is at 100% wait before patting yourself on the back.

- Market conditions have changed
- You have inaccurate property information recorded
- People get good deals and bad deals
- No valuation model is perfect – normal distribution
- Your previous assessed valuation was not at 100% of market value
- Etc.

CONSIDER WHEN THE ASSESSMENT LEVEL IS MEASURED?



Sales Validation Guidelines: IAAO Standards on Ratio Studies




Sales Validation Guidelines: IAAO Standards on Ratio Studies



Identify and
Secure
Sources of
Sales Data

- CRV and **eCRV**
- **Multiple Listing Service**
- Real Estate Brokers
- Government and Private Fee Appraisers
- Attorneys
- Appraisal Organizations
- Other

Sales Validation Guidelines: IAAO Standards on Ratio Studies



Acquire the
Required
Information

- Full consideration involved
- Names of buyer and seller
- Addresses, phone numbers, other contact information, of parties involved
- Relationship of buyer and seller
- Legal description, address, parcel identification
- Type of transfer
- **Time on market**
- Interest Transferred
- Type of financing
- Personal property
- Date of transfer
- Instrument number

Sales Validation Guidelines: IAAO Standards on Ratio Studies

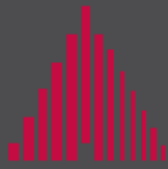
Time on market

Acquire the
Required
Information

Sales that have been exposed to the open market too long, not long enough, or not at all may not represent market value



When value opinions are based on market exposure that is inadequate or excessive, the value opinion is not market oriented. Improper identification of the reasonable Exposure Time in a market value opinion can lead to a value conclusion that is not credible.



Appraisal
Institute®

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Real Estate Solutions*

Guide Note 14

Concept of Exposure Time

The basis for an opinion of Exposure Time can include consideration of one or more of the following:


Acquire the
Required
Information

- Statistical information about days on market for similar types of property
- Information gathered through sales verification
- Interviews of market participants
- Market information from data collection services

...an office building... could have been on the market for two years at a price of \$2,000,000, which informed market participants considered unreasonable. Then the owner lowered the price to \$1,600,000 and started to receive offers, culminating in a transaction at \$1,400,000 six months later. Although the actual exposure time was 2.5 years, the reasonable exposure time at a value range of \$1,400,000 to \$1,600,000 would be six months.

Sales Validation Guidelines: IAAO Standards on Ratio Studies

Property Changes



Acquire the
Required
Information

Sales data files should reflect the physical characteristics of the property when sold. If significant legal, **physical**, or economic changes have occurred between the sale date and assessment date, the sale should not be used for ratio studies.

Sales Validation Guidelines: IAAO Standards on Ratio Studies

Confirm the
Terms and
Information

- **Mailed questionnaires should include:**
 - A postage-paid return envelope
 - Official stationary
 - Purpose for the questionnaire
 - Contact person
 - Authorized signature
- **Telephone interviews should have designed forms:**
 - Name and phone number of contact person
 - Date of call
 - Interviewer name
 - Number of attempts made to contact each party



Sales Validation Guidelines: IAAO Standards on Ratio Studies

- **Specific objectives are as follows:**
 - To ensure that sales prices reflect to the maximum extent possible only the market value of the real property transferred and not the value of personal property, financing, or leases
 - To ensure that sales that occurred only during the period of analysis are used
 - To ensure that sales are excluded from the ratio study only with good cause (e.g., when they compromise the validity of the study)



Screen
the Sales

Sales Validation Guidelines: IAAO Standards on Ratio Studies

Written Procedures and Policies

To help analysts make wise and uniform judgments, screening procedures should be in writing.



Screen
the Sales

Who Should be Verifying Sales?

Each sales analyst should be thoroughly familiar with these procedures as well as with underlying real estate principles.

Sales Validation Guidelines: IAAO Standards on Ratio Studies

Auctions?

In general, auction sales tend to be at the lower end of the price spectrum. Auction sales that have been well-advertised and well-attended may be valid for consideration in ratio studies. The seller must have the option to set a minimum bid on the property or the right of refusal on all bids (*with reserve*) in order for the sale to be considered valid.

Screen
the Sales



1. **Well-advertised?**
2. **Well-attended?**
3. **Minimum bid option, or seller had right of refusal?**

Sales Validation Guidelines: IAAO Standards on Ratio Studies



Screen
the Sales

Multiple Parcel Sales?

If the appraiser needs to include multiple parcel sales, he or she should first determine whether the parcels are contiguous and whether the sale comprises a single economic unit or multiple economic units.



Any multiple parcel sale that also involves multiple economic units generally should not be used in ratio studies because of the likelihood that these sales include some plottage value or some discount for economies of scale...

Sales Validation Guidelines: IAAO Standards on Ratio Studies



Screen
the Sales

1031 Exchanges?

1031 exchanges should be analyzed like any other commercial transaction and, absent conditions that would make the sale price unrepresentative of the market value, should be regarded as valid.

1031 Exchange Process



**1. Identify
Qualified
Intermediary**



**2. List
Relinquished
Property**



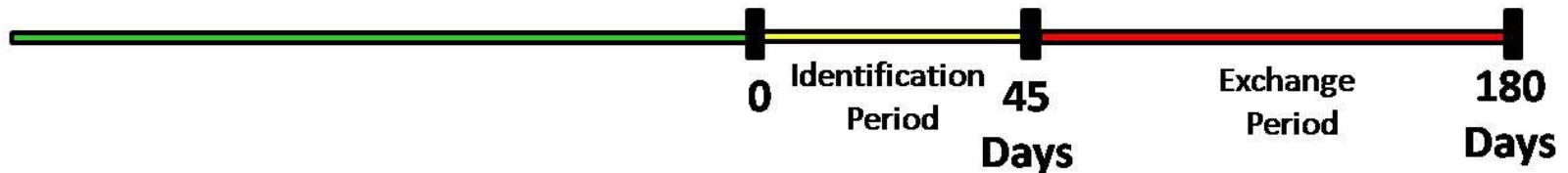
**3. Sell
Relinquished
Property**



**4. Identify
Replacement
Property**



**5. Receive
Replacement
Property**



Time →

Sales Validation Guidelines: IAAO Standards on Ratio Studies

Internet Marketing?

Property that sells on the internet and meets the criteria of being an open-market, arm's length transaction should be included as valid.

Screen
the Sales



Sales Validation Guidelines: IAAO Standards on Ratio Studies

Sales prices used in ratio studies may need to be adjusted for:



**Make
Adjustments
as Necessary**

- Financing
- Assumed long-term leases
- Personal property
- Gift programs
- Date of sale
- Etc.

Sales Validation Guidelines: IAAO Standards on Ratio Studies

If adjustments for more than one purpose are to be made, they should be made in this order:



Make
Adjustments
as Necessary

1. Adjustments that convert the price to a better representation of the market value as of the date of sale (financing, long-term leases)
2. Adjustments that develop or isolate the price paid for taxable real property (personal property received by buyer, property taken in trade by the seller, combination of partial interest sales, incomplete or unbuilt common property)
3. Adjustments for differences in market value levels between the date of the sale and the date of the analysis

Sales Validation Guidelines: IAAO Standards on Ratio Studies

Adjustments for Assumed Leases

The sale price of a property encumbered by a long-term lease of at least three years should be adjusted as follows:

Make
Adjustments
as Necessary

- If the contract rent differs significantly from market rent, then the sales price should be adjusted by the difference between the present worth of the two income streams.
- If the contract rent exceeds market rent, the present worth of the difference in the two income streams should be subtracted from the sale price.
- If the contract rent is less than current market rent, the present worth of the difference in the two income streams should be added to the sale price.



Is inspecting sold properties because they have sold sales chasing?



“Spearing”

It probably depends on whether or not new data being collected is utilized for modeling purposes only, or if the changes are being implemented in the CAMA system for the following assessment.

Also dependent on whose definition you are utilizing.

Is inspecting sold properties because they have sold sales chasing?

Sales Chasing:

“...Reappraising properties that have been sold in a manner different than unsold properties...”

IAAO – Fundamentals of Mass Appraisal



“Sales Chasing”

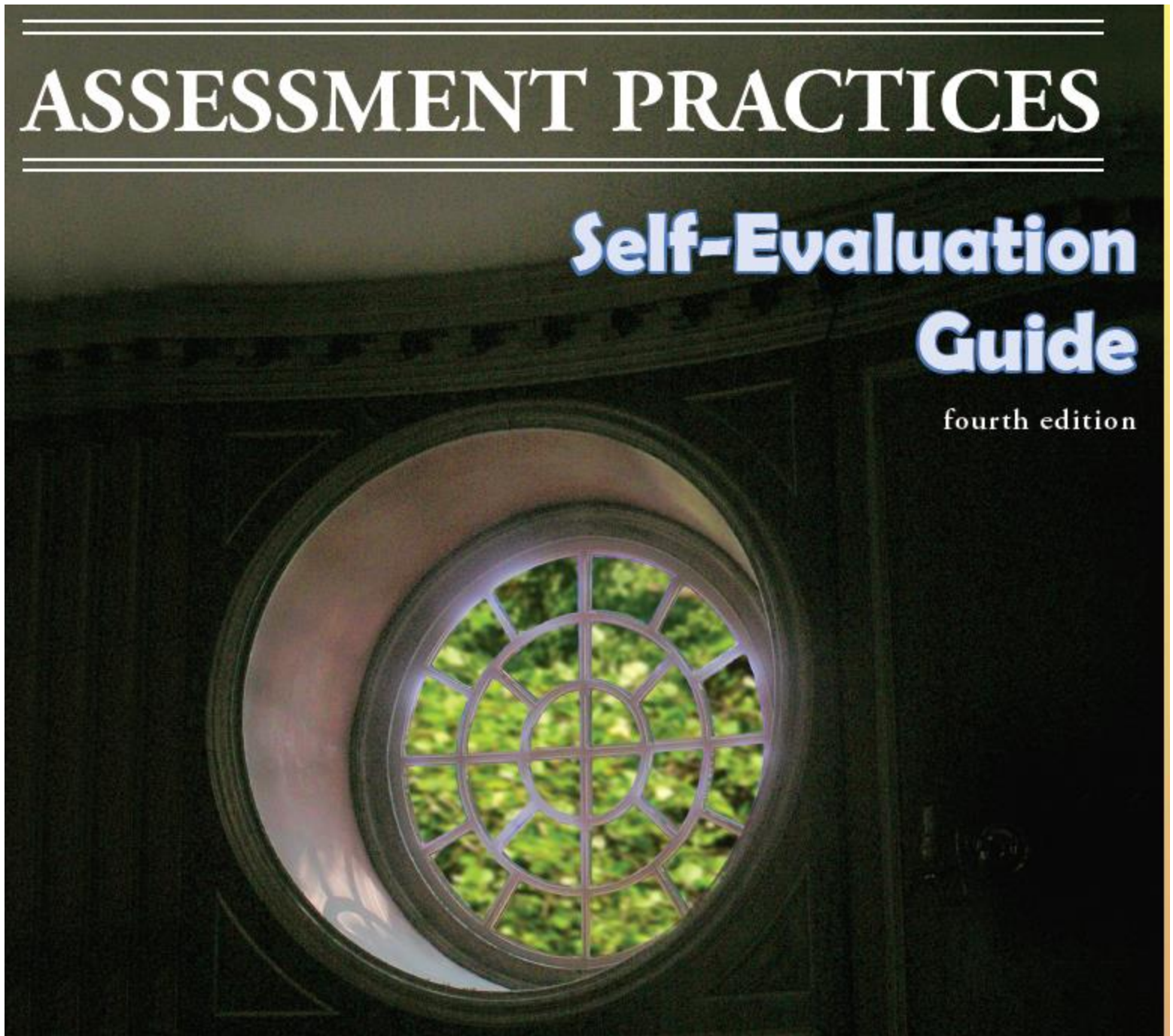
“Sales chasing is the practice of making any subjective change in value to a recently sold property, while not also reviewing and applying the same criteria to properties that have not sold.”

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ASSESSMENT PRACTICES

Self-Evaluation Guide

fourth edition



Chapter 9

Sales Data, Ratio Studies, and Stratification

1. **Are all transfers of property (sales) uniquely identified and captured?**
2. **Are real estate sales properly screened and appropriate adjustments made?**
3. **Does the computer system in the assessment office maintain a snapshot of the property at the time of sale?**
4. **Are sales used in valuation analyses and ratio studies adjusted to the valuation date (time-trended)?**
5. Has the assessment office stratified residential properties by market area and neighborhood?
6. Are ratio studies conducted at timely intervals during the valuation process?
7. Does the assessment office use ratio studies as a planning tool for both reappraisals and staff needs?
8. Does the assessment office conduct ratio studies by property groups and subgroups?
9. Does the assessment office have the capability of performing ratio studies by user-selected combinations of property characteristics?
10. Does the statistical program used to produce the ratio study compute the IAAO standard measures of level (median, mean, weighted mean ratio), horizontal uniformity [coefficient of dispersion (COD)], and vertical uniformity [price-related differential (PRD)], along with confidence intervals?
11. Does the software used for ratio studies have graphics capabilities?
12. **Does the assessment office test that sold and unsold properties have been appraised similarly (to prevent sales-chasing)?**
13. Does the oversight agency conduct an appraisal/sales ratio study?

Are all transfers of property (sales) uniquely identified and captured?



CRV and eCRV!

Excellence Checklist:

- Does your office currently have a sales disclosure statute in place?
- If yes, explain the process.
- Provide a copy of the sales disclosure document.
- Describe how each sale is uniquely identified and accounted for.
- If the office is currently working without sales disclosure, how are sales identified?

Are real estate sales properly screened and appropriate adjustments made?

1. Written procedures should be provided to all staff who are validating sales
2. Your office should hold annual training sessions in sales validation
3. Best practice is to have sales validation performed by a staff member different from the assigned field appraiser



Excellence Checklist:

- Provide a description of your jurisdiction's validation procedures.
- Are written guidelines used for the validation process? If so, provide copies.
- Are sale prices adjusted for items such as personal property in the CAMA system?
- Does your jurisdiction have a unique coding system to identify those valid sales for which the sale price has been adjusted? If so, provide copies.

Does the computer system in the assessment office maintain a snapshot of the property at the time of sale?

The computer system should preserve a picture of a property's data when it is sold so that the sale price and property characteristics can be properly matched during modeling. CAMA systems can accomplish this in a number of ways, including date-stamping or maintaining a separate sales file that includes property characteristics at the time of sale.

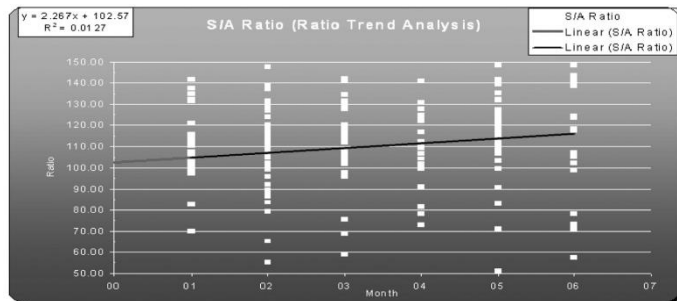


Excellence Checklist:

- Provide system documentation on how property characteristics data and sales data are merged and saved.
- Provide sample sales reports to support that this objective has been met.

Are sales used in valuation analyses and ratio studies adjusted to the valuation date (time-trended)?

To estimate property values and measure assessment performance accurately, sales must be adjusted for any significant time trends to the valuation date (or as near thereto as practical). Table 9-3 identifies ways to do this. Trends can be applied on a daily, monthly, or quarterly basis. For ratio study purposes, trends should always be applied prior to trimming of outlier ratios.



TCALC!

Excellence Checklist:

- What method(s) of time adjustment is used by your jurisdiction?
- Provide sample trend analysis reports and reports showing methods of time adjustments.
- Provide a description of these reports.

Does the assessment office test that sold and unsold properties have been appraised similarly (to prevent sales-chasing)?



Table 9-9. Evaluating Equity between Sold and Unsold Properties

Market Area	Percentage Change in Sales	Number of Sales	Percentage Change in Unsold Properties	Number of Unsold Properties
101	8.5	123	3.7	2,418
102	7.9	372	8.4	4,950
103	5.2	252	5.5	3,497
104	14.1	188	14.5	1,788

Excellence Checklist:

- Describe how sold and unsold properties are analyzed to show equity between sold and unsold properties.
- Provide sample analysis reports.



SALE VERIFICATION STORIES?

Two men charged with fraud relating to sale of Prior Lake condos

“Two Prior Lake men and a California man each were charged with 15 counts of fraud in federal court April 21 for allegedly scamming lenders out of \$3.1 million. The men allegedly solicited buyers and then created false mortgage loans to purchase Prior Lake condominium units at inflated prices....

...To secure investors, _____ allegedly told buyers they would not have to pay for the units and promised to give them money for down payments, closing costs and monthly mortgage payments. The Prior Lake duo told potential investors that the units would be rented out for a while, but ultimately sold for profit that would be shared with them, the indictment states....

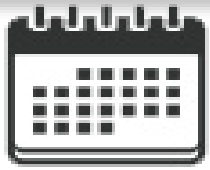
...However, contrary to their promises to buyers, _____ allegedly didn't pay for the investors' monthly mortgage payments – causing the buyers to default on mortgage loans....

...If convicted, the defendants face a maximum penalty of 20 years in federal prison on each wire fraud count, 20 years on the conspiracy count and 10 years on each of the money-laundering counts....

...The Prior Lake Police Department, the Federal Bureau of Investigation and the Internal Revenue Service-Criminal Investigation Division investigated the case. It is being prosecuted by Assistant U.S. Attorney Tracy L. Perzel.”

Shawn Hogendorf | Posted Apr 30, 2010

PRIOR LAKE
AMERICAN



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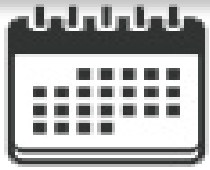


Agenda

✓ Access Database for Sales Verification



Jason McCaslin



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Intangibles and Personal Property

Present or Not Present?

Adjust or Not to Adjust?

General Property Classes

- **Real Property**

Includes Fixtures - Items that have been installed or attached to the land or building in a permanent manner-(plumbing, lighting, heating).

- **Personal Property**

Movable items of property that are not permanently affixed to, or part of, the real estate.

- **Intangible property or assets**

Those assets that are not tangible real property, tangible personal property , or financial assets. An intangible is something that is not material, not corporeal, not substantially real.

Sale Verification Questions

Intangibles

- Did the sale (or purchase) include any non real property assets?
- EG: Business lists, trademarks, patents, brands, franchise, non-compete agreements, others.
- Did your analysis of the value of the assets being sold or purchased include analysis of real and non-real assets?

Personal Property (IAAO Sales Ratio Standard)

- 5. Was any personal property (such as furniture, equipment, machinery, livestock, crops, business franchise or inventory, etc.) included in the sale price? o Yes o No
- If yes, please describe

- Estimated value of all personal property items included in the sale price \$_____

Mn Sales Ratio Study Criteria

- Mn Reject Code 17
 - **17. Excessive non-real property:** Non-assessed and significant or unknown non-realty sales including:
 - Sales in which a significant, but unknown portion of the total price is non-realty, such as personal property, business value, franchise fees, etc.
 - Sales in which there is a significant, known amount (50% or more) of non-realty included in the sale price, such as personal property, franchise fees, etc. If the sale includes a large but well-documented non-realty portion, it may be used in the sales ratio study.
 - Sales of non-assessed property such as cemetery lots.

Types of Personal Property

- Residential Property Examples*:

- Appliances

- Window Treatments

- Furniture and furnishings not built into the structure

*Determine if listed on separate Bill of Sale

- Commercial Property Examples:

- Inventory

- Restaurant Equipment

- Trade Fixtures

- Business Equipment

- Pollution Control Equipment

Real or Personal?



CRV Deductions for Personal Property

Allowed – Personal property:

Above ground pool

Boats and docks

Crops

Display cases

Drapes

Free standing appliances

Fireplace equipment

Farm machinery

Furniture

Fuel tanks

Garden equipment

Portable dehumidifiers

Portable humidifiers

Swing set

Signs for commercial enterprises

Shelves

Satellite Dishes

Trash compactor

Throw or area rugs

Television

Window air conditioner

CRV Deductions for Personal Property

Not Allowed – (Fixtures)

Awnings

Attached grill or barbecue

Attic fans - air cleaners

Built-in appliances

Built-in vacuum cleaners

Central air conditioner

Garbage disposal

Gates and fences

Garage door openers

Installed carpeting (indoor-outdoor)

Light fixtures

Music/intercom system

Solar panel

Smoke or security detectors

Screen or storm windows or doors

Sun deck or porch

Sheds or storage buildings

Water Softener

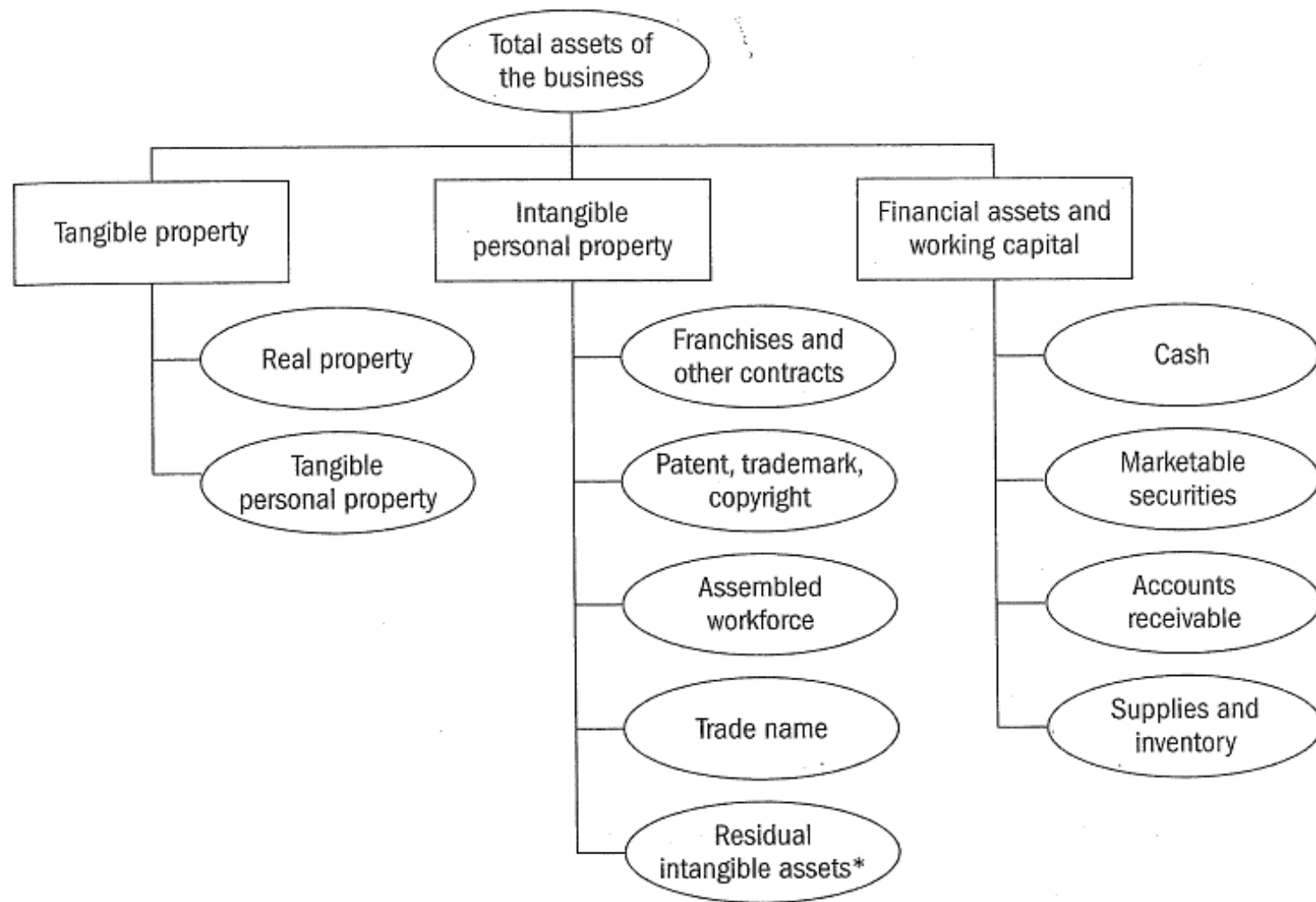
Adjusting for Personal Property

- Adjust based on depreciated cost not RCN
- Adjust based on confirmation from both seller and buyer
 - be aware that their interests may differ (taxes)
- Be consistent
- Be fair
- Do not ever automatically accept PP value as reported on the CRV
- Consider what is typical

Intangibles

- Franchises Fees, Contracts
- Patents, Trademarks
Copyright
- Permits, Entitlements
- Assembled Work Force
- Trade Name, Hotel Flag,
- Market position of Anchor Tenant
- Goodwill
- Customer Lists

Figure 35.1 Components of the Total Assets of a Business in an Asset-Based Transaction



Note. Some appraisers consider supplies and inventory to be a subset of tangible personal property rather than a financial asset, which is also acceptable. In any case, the appraisal report must make it clear to the reader what assets are included in the valuation and how they are allocated.

* The earnings that an entrepreneur receives after all other agents of production have been paid (agents being capital, land, and labor, including management)

What's a Brand Worth?

Depends whom you ask. Two research firms, using less than scientific methods, often come up with different values. Here are most recent brand values for selected companies:

- MILLWARD BROWN*
- INTERBRAND†



* For 12 months ending Dec. 2011
† For 12 months ending July 2011

Sources: Millward Brown; Interbrand
Graphic by Alberto Cervantes/
The Wall Street Journal

Trademark:

TM

Registered Trademark:



Price = \$2.25



Price = \$6.00

PROPERTY TYPES THAT ARE PROSPECTS FOR INTANGIBLES

- **Restaurants**
- **Car Washes**
- **Hotels/Motels**
- **Health Care**
- **Shopping Malls? (Misc income, anchors)**
- **Special Purpose – Quarry, Landfill, Billboard**
- **Others????**

Terminology is Changing

• OLD TERMINOLOGY

- Blue Sky
- Going Concern Value (GCV) – Total value of all
- Business operation assets
- Business Value (BV) – Intangible increment
- Real Estate (RE)
- Personal Property (PP) – FF&E, trade fixtures
- Intangible Assets (IA) – Liquor license, franchise,
- Hotel flag, superior management, workforce
- Goodwill – Accounting term for an intangible

• NEW TERMINOLOGY

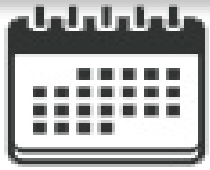
- Market Value Total Assets of the Business (MVTAB) - replaces Going Concern Value
- Business Enterprise Value (BEV) = Business Value
- Total Tangible Assets (TTA) = R.E. + P.P.
- Total Intangible Assets (TIA) = Identifiable Intangible Assets (IIA) + Residual Intangibles (RIA)
- RIA may include Capitalized Economic Profit (CEP)
- CEP definition, *A BEV Anthology*, p. 164, **not** in *The Dictionary of Real Estate Appraisal 13th or 14th*

CAPITALIZED ECONOMIC PROFIT (CEP)

- **PV of “excess” profit**
- **Results from superior management or monopoly**
- **Innovation may generate superior profits (Apple)**
- **Typically, competition will drive down profit**
- **Perfect competition will allow only normal profit**
- **Perfect competition does not exist**
- **Monopoly and/or large corps diminish competition**
- **Difficult to measure excess profit in RE asset**

EXTRACTING ECONOMIC PROFIT

- Reduce revenue (room rates, % rent)
- Deduct amortization expense(s)
- Deduct BV expense
- Increase cap rate (Why if R.E. is low risk?)
- One or more of the above
- Does the market consider/recognize?



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Sales Ratio Update

Minnesota Department of Revenue
Data and Analysis Unit
Amanda Imes and Angela González
May 21, 2014

Objectives

Sales verification and the sales ratio study

Where are we now?

Trimming Extremes

New Agriculture and Residential Regions

Changes to Ratios and Trends

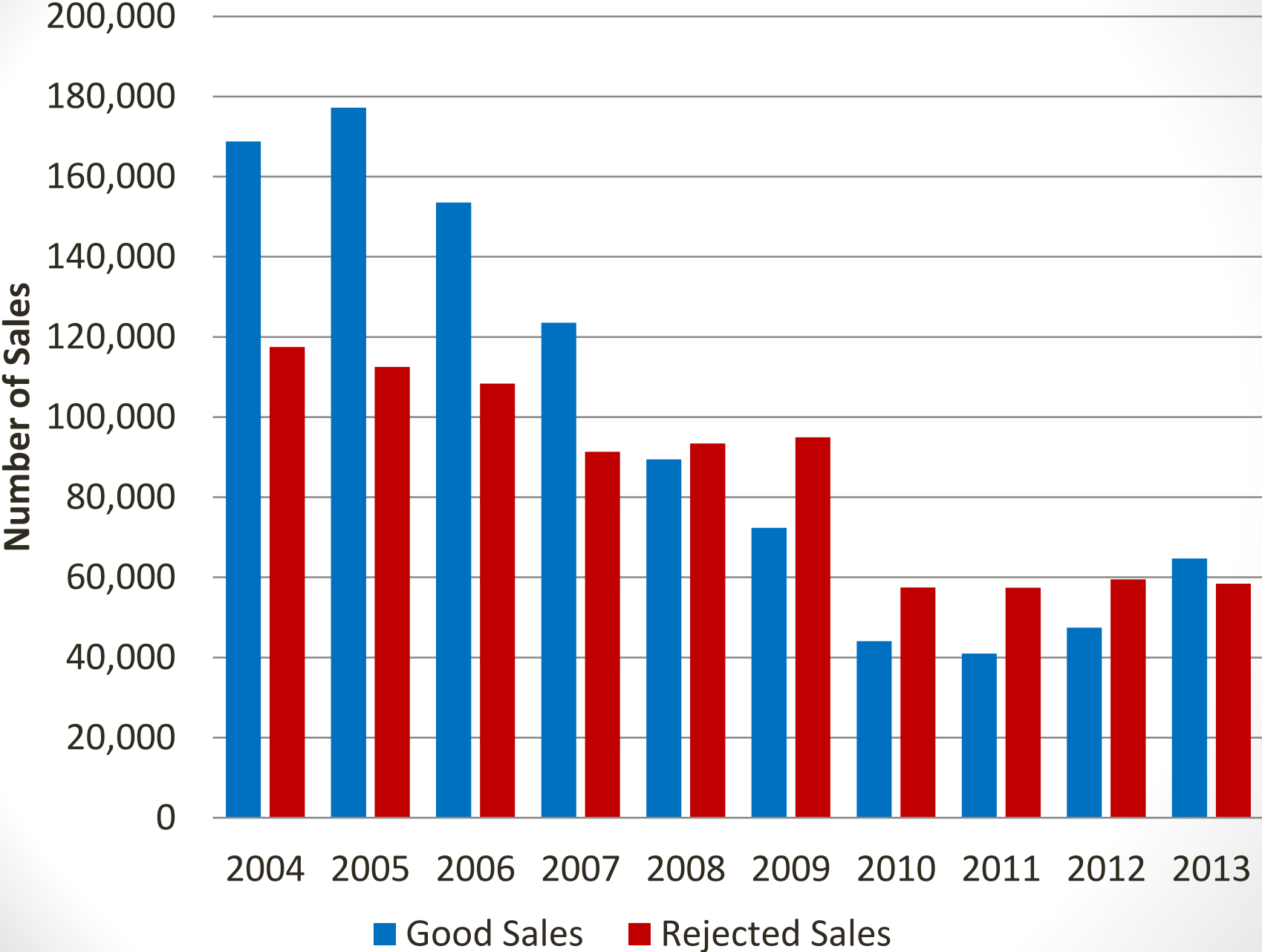
Why adjust for market conditions (time)?

SALES VERIFICATION AND THE SALES RATIO STUDY

Arms-length sales in the study

- The better the information we receive, the better the information we can provide.
- The sooner we have verified sales, the more reliable preliminary and final ratios will be.
- All sales should be verified prior to receiving preliminary ratios.

Good vs. Rejected Sales in the 12 month study



Where are we now:

- 2014 Sales Ratio Study Criteria will be released at State Boards on June 11, 2014.
- PACE module on market condition adjustments (time trends).
- 2014 first sales listing ready for edits by mid July, 2014.
- Residential and ag adjustment regions will be going through revision in August, 2014.

Proposed Timeline for 2014 Study

Item	Due Date
First “quarterly” sales listing	July
Second “quarterly” sales listing	September
Final flat file submission	November 10 th <i>no later than November 14th</i>
Sales Ratio issues sales listings (no preliminary ratios or time trends)	As soon as all flat files are submitted. Target: November 21 st
Thanksgiving	November 27 th -28 th
Edits complete	Target: December 5 th
Time Trends Issued	Target: December 12 th
Deadline for appeals documentation from counties	Target: December 15 th
Preliminary Ratios and Final Time Trends Issued	Target: January 15 th

Noteworthy updates for 2014

- New method for trimming outliers (extreme ratios)
- New agriculture and residential regions
- Commercial/Industrial ratios and trends will no longer be calculated together.
- Water influence
- New construction – Net construction
- Res/SRR will no longer be calculated separately.
 - Ratios will be calculated based on water status.

HOW TO TRIM FOR OUTLIERS. INTERQUARTILE RANGE

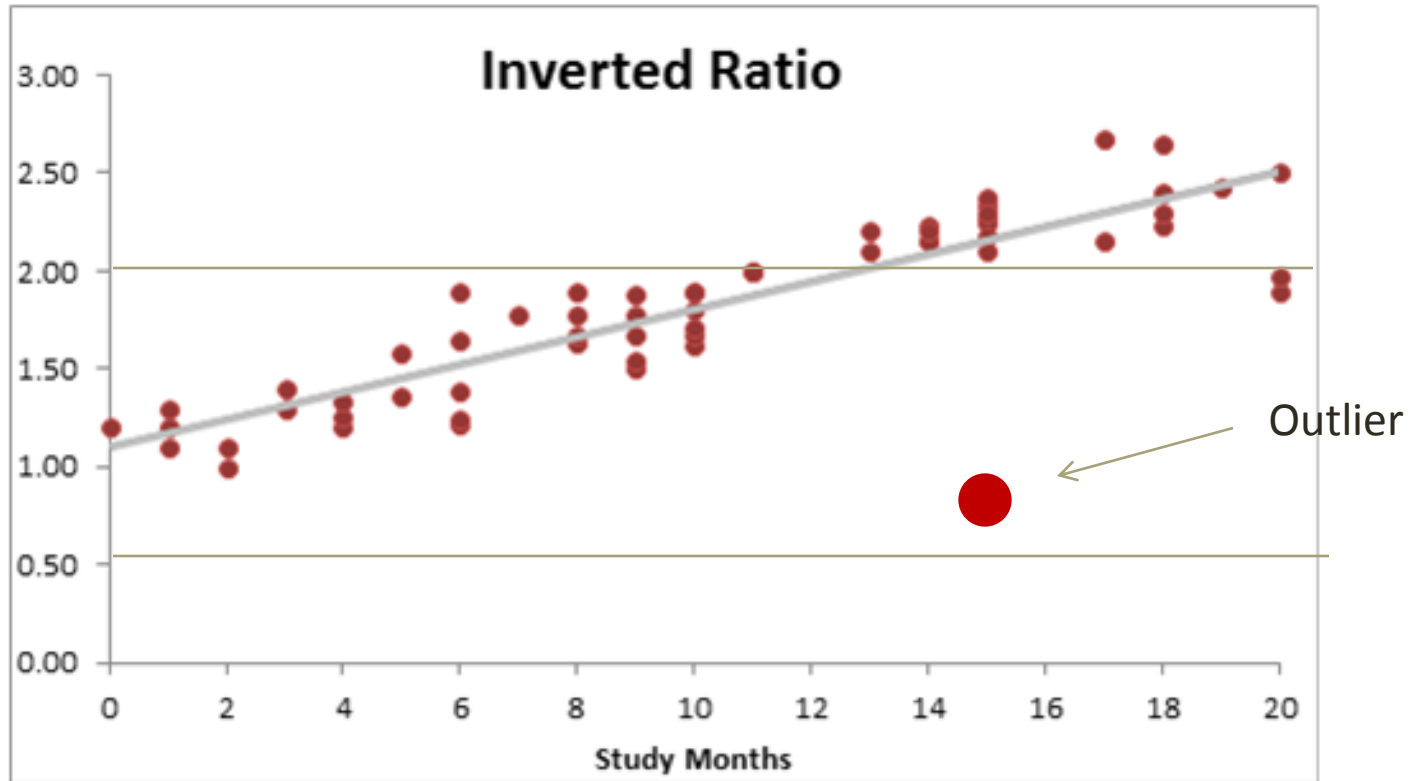
How to trim outliers

Current Methodology

In the past, sales with ratios less than 50% or over 200% were considered outliers and will be considered extreme ratios.

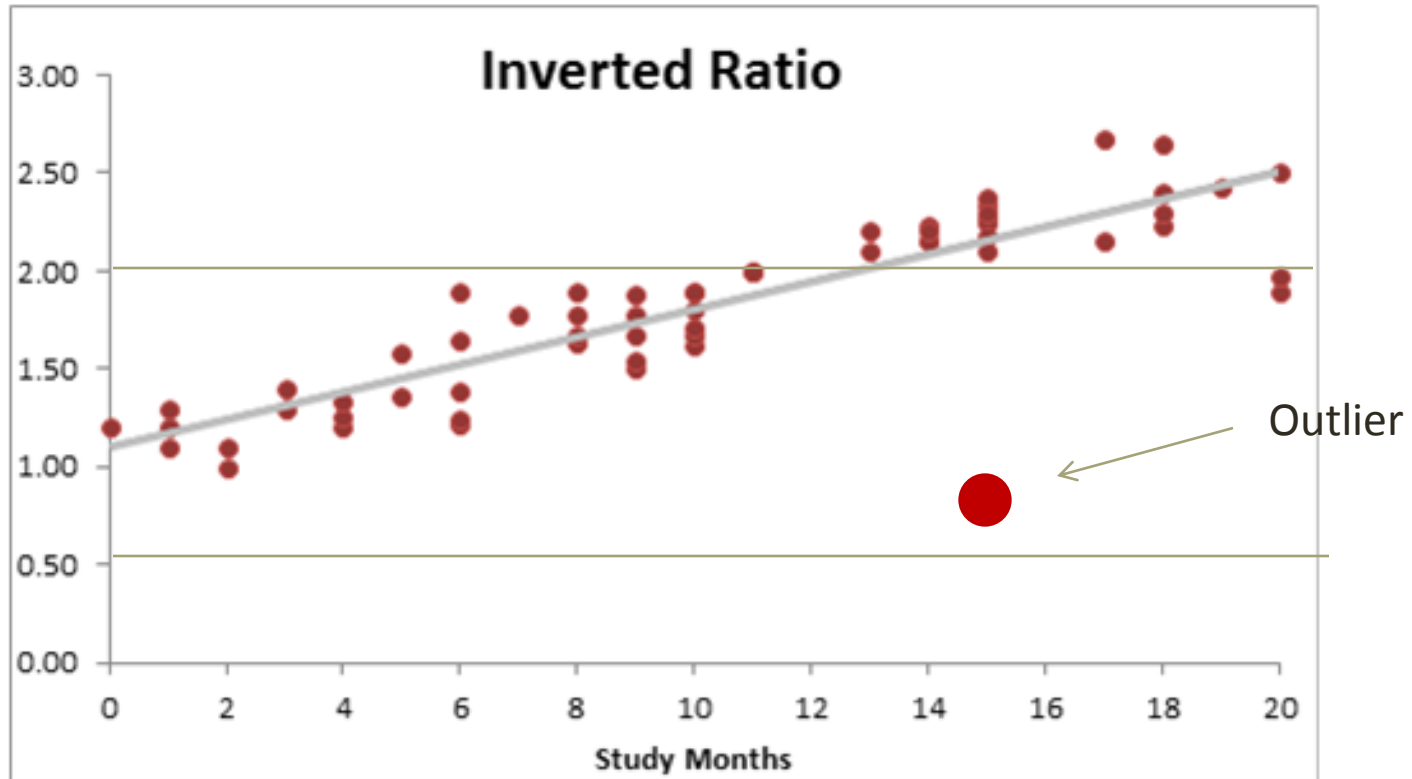
Now, we use the IAAO recommend method of trimming based on the interquartile range.

Figure 1: Rapidly Increasing Market Example



Using the old methodology, many good sales would have been considered outliers when they actually indicate movement in the market.

Figure 1: Rapidly Increasing Market Example



With the new method we will trim the outlier but not the ratios above 200%.

IAAO Guidelines for Trimming Extreme Ratios

Pros

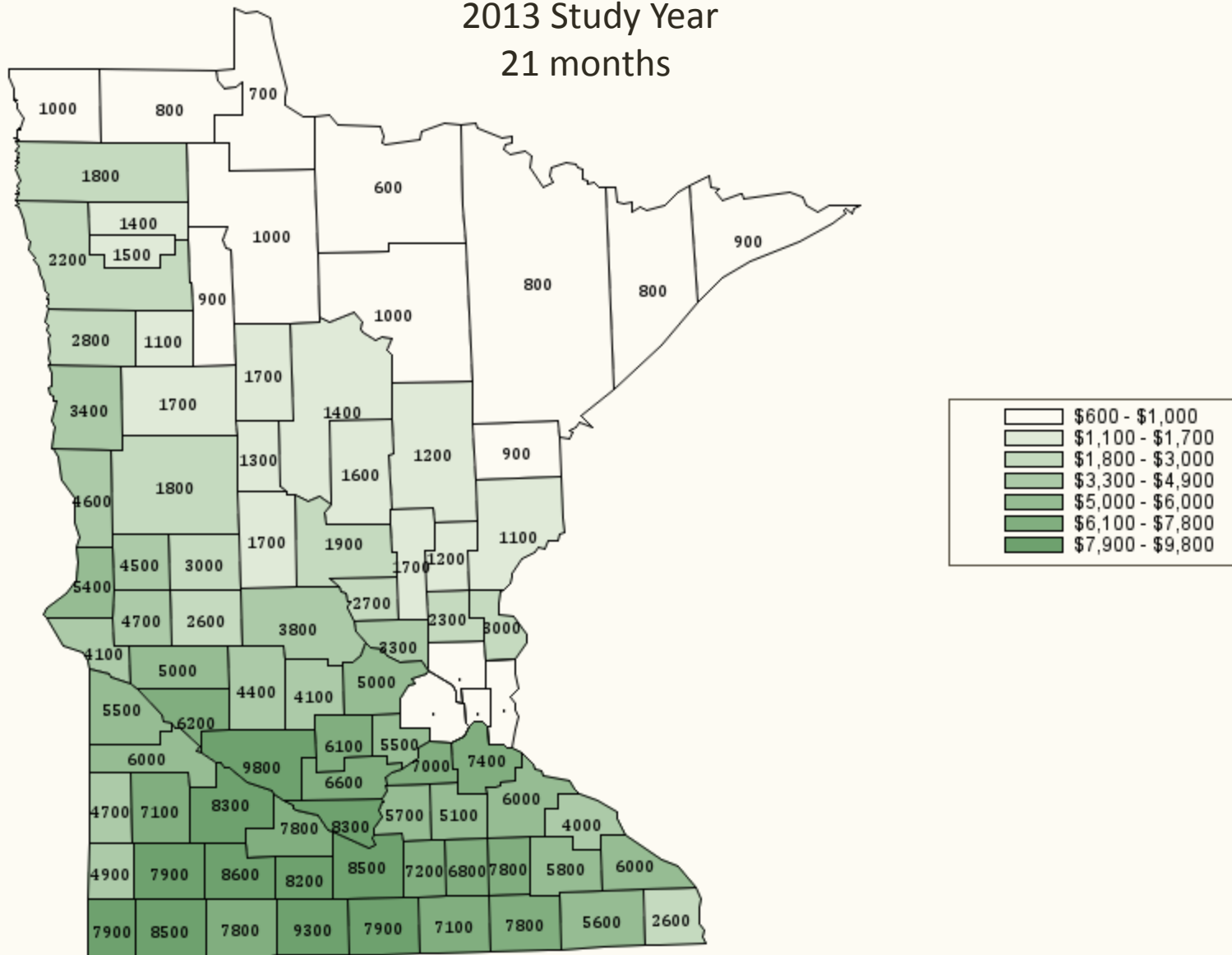
- Would bring us into compliance with IAAO standards.
- The guidelines specifically caution against using arbitrary limits, such as all ratios less than or greater than a certain percentage.
- Will increase the level of accuracy of time trends.

Cons

- Less clear for counties to replicate.
 - Interquartile Range using the new T-Calc
 - Teaching IQR trimming at PACE and SBE

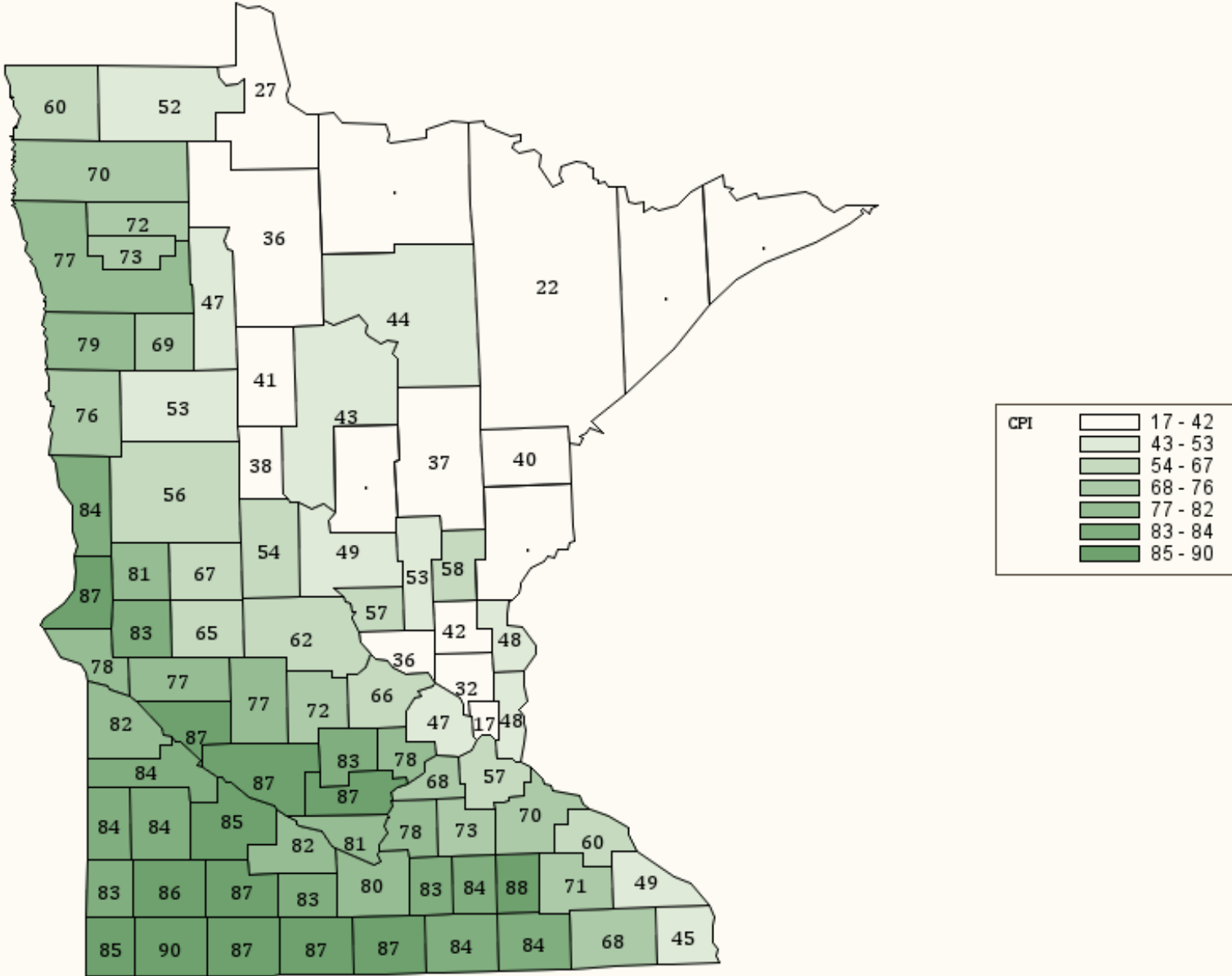
NEW AGRICULTURE AND RESIDENTIAL REGIONS

Median Price Per Acre 2013 Study Year 21 months



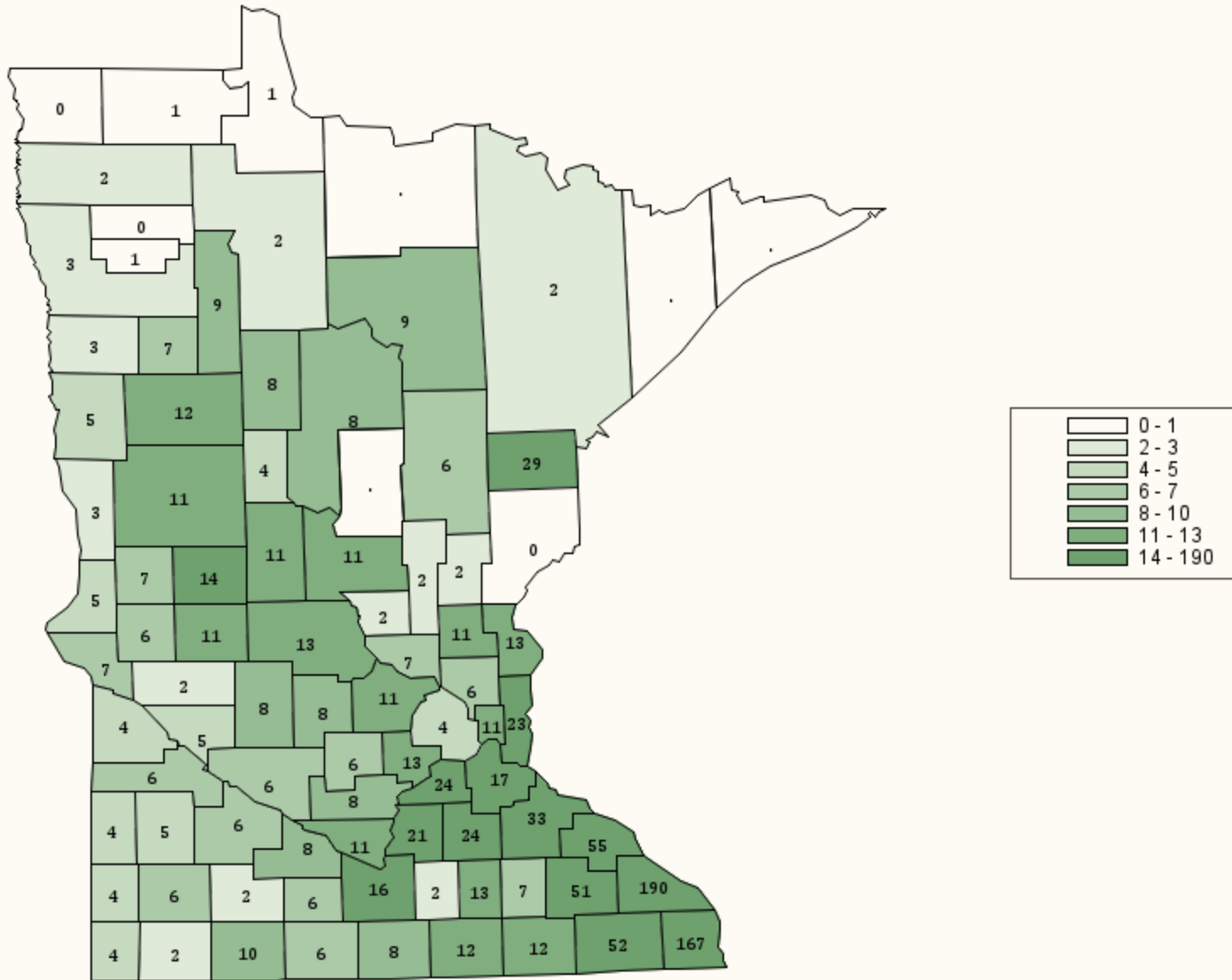
Price per acre is reported for all sales, not just those that are 75% tillable or more. Because we used the median, the difference is not going to be significant.

Crop Productivity Index



Info from Minnesota Land Economics

Water Erosion



Info from Minnesota Land Economics. Indicates potential erosion in tons/acre/year.

How do I know the trend for my res region?

Region Code	Region	County	County Name	Property Type	PT Description	Water Status	Monthly Growth Rate	Annual Growth Rate	Trend Applied	Number of good sales in the region	Number of good sales in the coun
95	Chaska	10	Carver	91	SRR/Res	N	0.53	6.49	Region	424	1905
95	Chaska	10	Carver	91	SRR/Res	W	0.59	7.29	County	1	81
96	Chanhassen	10	Carver	91	SRR/Res	N	0.54	6.72	Region	609	1905
96	Chanhassen	10	Carver	91	SRR/Res	W	0.59	7.29	County	33	81
310	Carver County	10	Carver	91	SRR/Res	N	0.68	8.48	Region	872	1905
310	Carver County	10	Carver	91	SRR/Res	W	0.76	9.57	Region	47	81

The column called Trend Applied tells you where the trend is coming from. It could be County (county wide), Region (individual Region) or No trend.

How do I know the trend for my res region?

- You can also find your region on T-calc
- You have the opportunity to revise the regions in August, 2014.
- Present your suggested changes to your PTCO for review.
- Things to consider: county seat, joint cities, water influence, etc.

CHANGES IN RATIOS AND TRENDS

Commercial/Industrial trends

- Commercial/Industrial ratios and trends will no longer be calculated together.

According to M.S. 273.1325, separate sales ratios must be calculated for commercial property and industrial property when feasible . These two classes may only be combined in jurisdictions in which there is not an adequate sample of sales in each class.

- Currently working with MAAO to study the best way to determine commercial and industrial time trends.

Reported Ratios

- We will no longer report separate ratios for PT 01 (Residential) and PT 03 (Non-Commercial Seasonal Recreational Residential), we will only report the combined ratio (PT aggregation 91)
- We will report the combined 91 ratio based on water status.

Water Status

- Water status is **conditional upon the parcel being located on, or having immediate access to**, one of the four valid water types. Parcels that would be located on the water in the absence of a road or public easement would be considered on water.
 - L- Lake
 - R- River or Stream
 - S- Swamp or Slough
 - O- Other Water
- Parcels with a water status of 'S' or 'O' will not be considered "on-water" for the 2014 study.
- All parcels with an 'L' or an 'R' will be considered on-water.

Neighborhood Code

- Counties have the option to use neighborhood codes to identify specific neighborhoods within state assigned cities/townships.
- This field has not been utilized by Sales Ratio in the past, but we'd like to begin using this field as a way to hone in on specific markets. For example, an assessor may be aware of a "neighborhood" market that exists around one specific lake. If all the parcels affected by that market have one neighborhood code, we could consider that region separately for time trends instead of using the current method.

Neighborhood Code



WHY DO WE ADJUST FOR MARKET
CONDITIONS?

Preliminary vs. Final Ratios

Preliminary ratios reflect the following formula:

$$\frac{2014 \text{ EMV}}{\text{Net sales price forward adjusted to Jan 2, 2015}}$$

Final ratios will reflect the following formula:

$$\frac{2015 \text{ EMV} - \text{new construction}}{\text{Net sales price forward adjusted to Jan 2, 2015}}$$

Why do we adjust for market conditions?

- The IAAO identifies market conditions adjustments as a necessary component of any sales ratio study.
- Minnesota Statutes, section 270.12, subdivision 2 requires that the department follow the standards set by the IAAO whenever practical.

Why do we adjust for market conditions?

- As of 2008, 43 states were conducting sales ratio studies
 - **23 states adjust for market conditions (time) and 12 adjust for terms**
 - *Of the 23 adjusting for market conditions, 15 use a methodology similar to the methodology used by the Minnesota Department of Revenue.*

Why do we adjust for market conditions?

The IAAO recognizes five methods of calculating time adjustments:

- Paired Sales Analysis
- Resale Analysis
- **Sales Ratio Time Trend Analysis**
- Multiple Regression Analysis
- Comparing Per-Unit Values Over Time

Tracking sales ratios over time is a common method of determining market conditions adjustments (used in 15 states as of 2011) and is the current methodology used by Minnesota Department of Revenue.

Why do we adjust for market conditions? *(using the ratio)*

When we divide the sales price by the Estimated Market Value (EMV), we standardize the information so that sales are comparable despite different characteristics in each property.

For example, imagine there are two adjacent homes. The first home has an attached garage and the second has no garage but is located on a popular recreational lake.

Home One



Home Two



Why do we adjust for market conditions? *(Using the inverted ratio)*



- Home One sells at the beginning of the year for \$300,000.
- Home Two sells 6 months later for \$375,000.
- We don't know if the change from \$300,000 to \$375,000 is due to the different characteristics of each home, or if it is due to a change in market conditions.

Dividing by the assessment allows us to make an apples-to-apples comparison because the assessor will have taken into account the value of the garage.

Calculating market conditions adjustments with the inverted ratio allows us to isolate the effect of prices. Time trends work best when the uniformity of the assessment is acceptable.

Home One



EMV= \$310,000

Sale Price=\$300,000

Inverted Ratio=0.96

Home Two



EMV= \$387,500

Sale Price=\$375,000

Inverted Ratio=0.96

In this scenario, there is no evidence of a change in market conditions. The inverted ratio did not change over time. Now let's imagine...

Home One



EMV= \$310,000

Sale Price=\$300,000

Inverted Ratio=0.96

Home Two



EMV= \$387,500

Sale Price=\$400,000

Inverted Ratio=1.032

In this scenario, there is evidence to support an increasing market because the relationship between the ratios is no longer 1 to 1.



Often, ratios are not perfectly 1:1. We can only establish the presence of a change in market conditions over time if there are enough sales to support statistical evidence that the market conditions are in fact changing.

Why do we adjust for market conditions?



Adjusting for market conditions ensures:

- Equity of assessment
- With market adjustments we are able to make apples-to-apples comparisons
- Comparisons based on raw ratios might have a combination of quality of assessment and market conditions all together.



Agenda

- ✓ Sale Verification Overview – Basics and Best Practices
- ✓ Access Database for Sales Verification
- ✓ Commercial and Industrial Verification Problems
- ✓ DOR Sales Ratio Team – Criteria Update
- ✓ **DOR Sales Verification Memo**
- ✓ **DOR Reject Codes Discussion**



Sales Verification

The reliability of any valuation model or sales ratio study depends on the quality and quantity of its data

Importance of Sales Verification

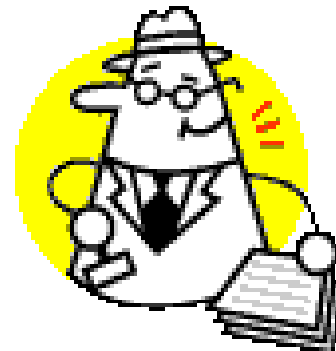
- ▶ Real estate sales form the backbone of the valuations for property tax.
- ▶ It is important assessors examine and confirm the details of the sales.
- ▶ Creating a sales verification process.
- ▶ Ensure that sale data is consistent, documented, and reproducible.
- ▶ With ecrv, the ability to share sales data statewide – Sales data should be relied upon.

Going Forward...

- ▶ Your property tax compliance officer (PTCO) may ask for the sale verification documentation.
- ▶ Sale verification should be done on **all** ag, commercial, industrial, and apartment sales.
- ▶ At a minimum, residential and seasonal sale outliers need to be verified.
- ▶ Review sales before end of study period.

Verify, verify, verify...

- ▶ Sales must be verified at the county level.
- ▶ The DOR screens and conducts computer edits on all sales to help identify and flag sales that require additional review.
- ▶ The PTCO must agree with the verification before some sales may be considered as good or as bad.



Why Verify?

- ▶ The primary responsibility of the assessor is estimating the market value of each property.
- ▶ The integrity of the property tax is dependent on the accuracy by analyzing market data
- ▶ Only sales that meet the definition of market value are used in developing these market values.
- ▶ Accuracy is dependent upon proper verification and adjustment of sales data.

Verification Questions

Rule Verification Questions						Additional Questions for Landlords	
<p>Form Identification Number: _____ Subject ID (CPI): _____ ADU _____ Unit(s) ID: _____ Date ac/ac/d _____ Unit(s) ID: _____ Room _____ Side _____ Name _____ Current Functional Information Date of Use _____ Functional Price _____ Term: Cash / CD / Non-Renting Personal Property Value _____</p> <p>How are additional questions for property to be used? Do you use the information on the CPI's and other uses of the property to determine a use on the subject unit?</p> <p>PLEASE ANSWER THE FOLLOWING QUESTIONS:</p> <p>1) How was the property marketed (location, real estate agent, displayed for sale by owner sign, internet, etc.) and length of time on the market? What was the property's original listing price? _____ Any price reductions? _____ If the property was not listed by a real estate agent use Table 1.2, B.8</p> <p>2) Yes/No: Was the property marketed in the open market, announced or promoted through realtor listings, and/or newspapers, radio, television, broadcast, email, or other social media? Yes/No (If no, go to 3) Yes/No: Was an approved document in the public exhibit? (These prices used as a starting point for negotiations?) Yes/No (If no, then did you accept a second offer? _____ (If no, go to 3)) Yes/No: Did the seller make a voluntary or involuntary short sale under no recourse buyer and a 12-month period of the market? Yes/No (If yes answered, indicate any other time the property was marketed, the year, month, and year marked)</p> <p>3) Was the seller approved in the property on the subject property? (Would you be willing to share the property value based on the approval and purpose of the approval?)</p> <p>4) Was the seller a buyer a friend or relative? How was the relationship with the seller? _____</p> <p>5) How much time passed between the date of the purchase agreement and the closing date?</p> <p>6) Did the seller have any other units in the subject property? (Are there other units in the subject property that are not included in the subject unit?) (If so, what is the price/rental rate, relative sale, or rental of the other units, or relative sale?)</p> <p>7) Any recent changes to the property that affected the value? Condition of property? _____ Improvement(s) made? _____ Recent Renovation? _____ These funds of repair needed being used for adding windows, remodeling etc. included in the purchase price? (What was the value base of these funds?)</p>		<p>7) Was the property rented or leased at the time of sale? How long and for how much? Did the renter pay any profit? Did the inclusion of the unit in the subject property affect the rental rate? (If so, how long and for how much? Did the rental rate change at the beginning of the year?)</p> <p>8) Was there a standard agreement between buyer/seller? How long and for how much? Did the rental rate change at the end of the year?</p> <p>9) What information was provided to the particular property seller? How long and for how much? Did you receive any other information before the sale of the property? (What was the date of the information?)</p> <p>10) How long has the seller been in the property's business? (What is the date of the seller's business change to the property?)</p> <p>11) Would you please confirm the personal use of the property: Residential / Second Home / Agricultural / Commercial/Industrial / Other _____</p> <p>Table(s) dependent on listing status Please see additional questions for income and expense reporting on the next page.</p> <p>Has the seller sold? Yes/No/Repeat _____ Comments _____</p>		<p>Additional income and expense reporting and agricultural questions</p> <p>1) If the seller is an income-producing property, was a 1031 exchange completed? If so, provide the following: a. Date of the sale of the original property and the new time? b. Did the 1031 exchange occur? c. Use the same address for the 1031? 2) If the seller is an income-producing property, were there additional sources of income to the business unit in the subject unit? a. What is the gross profit of the unit? b. What is the net profit of the unit? c. What are the expenses of the unit? d. What are the net expenses of the unit? 3) Did the seller have any long-term leases? (What are the terms of the lease?)</p> <p>Additional Agricultural Questions (If the seller is a farmer or rancher, please answer the following questions) 1. Was there a buyer's premium? If so, what was the amount? Did the seller receive the buyer's premium? 2. Did the seller have any expenses during the year? If so, what were they? 3. Has there been any change in the seller's _____ a. Total net sales during the year and what is the percentage of sales? 4. How many acres are irrigated? 5. Does the seller have any other income-producing property? (Common examples: CDF, RFD, CRP) - If so, what program and how many acres in each program? - Was it an enrolled or non-enrolled? - What was the total enrolled acreage?</p>		<p>Additional Questions for Landlords</p> <p>1. Did the seller receive any income from the business? If so, what is the value of the business and how was it determined? 2. Was the business a partnership, an S corporation, or a sole proprietorship? 3. What was the business's net income? 4. What was the business's net income? 5. What was the business's net income? 6. What was the business's net income? 7. What was the business's net income? 8. What was the business's net income? 9. What was the business's net income? 10. What was the business's net income?</p> <p>Additional Questions for Landlords</p> <p>1. Did the seller receive any income from the business? a. If so, what is the value of the business and how was it determined? b. What was the business's net income? 2. Was the business a partnership, an S corporation, or a sole proprietorship? a. What was the business's net income? b. What was the business's net income? c. What was the business's net income? 3. Number of income units a. Number of Single b. Number of Double c. Number of Suite d. Number of Long e. Number of Other 4. First Year Storage Daily Rate 5. New To Date Storage Daily Rate 6. Renewal Year 2nd Storage Daily Rate 7. Total Number of Occupied Room Nights 8. Were there any other expenses?</p>	

Sales Generally Considered Invalid

- ▶ Sales involving government agencies
- ▶ Sales involving charitable, religious, or educational institutions.
- ▶ Sales involving transactions as buyer or seller
- ▶ Sales between corporate affiliates
- ▶ Sales settling an estate
- ▶ Forced sales resulting from a judicial order
- ▶ Sales of doubtful title



Commonly Misused Reject Codes

- ▶ Reject 05 – Use Change
- ▶ Reject 09 – Trade; Gift; or Estate Sale
- ▶ Reject 26 – Not Typical Market -
- ▶ Reject 15 verses 21- Forced Sale VS Bank Sale
- ▶ 1031 Exchanges
- ▶ Reject 31- Assemblage (not farm or timber sales)

Reject 05 – Use Change

- ▶ **Use Change:** Sales involving change of use from one legal property class to another.
- ▶ **Exceptions**
 - Residential to Seasonal-Recreational
 - Bare Land of 34.5 acres or more will NOT be excluded if the class changes are among Agricultural, Seasonal-Recreational, or Timber Classes.
 - Property will remain in class it was in before the sale
- ▶ **Use Change Examples:**
 - Change from Residential to Commercial
 - Change from Apartment to Residential
 - Change from any Use (with buildings) to a Bare Land Use and vice versa
- ▶ **Use Change Examples that DO NOT QUALIFY:**
 - Office converted to Restaurant
 - Commercial to Industrial and vice versa

What are 1031 Exchanges

- ▶ Are not a trade or transfer involving no monetary items.
- ▶ These transactions allow the taxpayer to defer capital gains tax on the sale of a business use or investment property.
- ▶ Accumulate more assets.
- ▶ A certain amount of undue stimuli may be present as this time lapses.
- ▶ They are a very formal, regulated, can be costly process. Acquire and close on Replacement Property within 180 days of relinquished property closing. IRS prefers in same tax year.

1031 Exchange

ARE NOT AUTOMATICALLY REJECTED!!

- A. These sales should be analyzed like any other commercial transaction.
- B. Were there other similar properties for sale at the same time?
- C. Did the 1031 influence the purchase price?
- D. Was there an extension for the 1031?

Reject 26 – Not Typical Market

- ▶ Sales of doubtful title or other non-arms-length or non-typical market transactions.
- ▶ A sale with a Reject Code 26 with no explanation will not be accepted.
- ▶ **Additional documentation will be required.**
- ▶ The following three tests ***will help*** determine if the sale should be rejected or accepted.

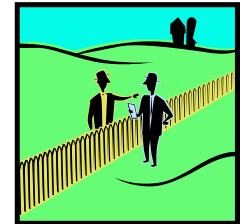
Test 1

- ▶ Was the sale marketed?
- ▶ How was it marketed?

- ▶ If **YES**, the sale **SHOULD NOT** be rejected as a Reject Code 26.
- ▶ If **NO**, go to Test 2.

Method of Marketing

- ▶ Auctions
- ▶ For sale by owner (FSBO)
- ▶ Internet marketing (craigslist)
- ▶ Newspaper advertisements
- ▶ Sealed bids
- ▶ Word-of-Mouth



- ▶ Sales that are not advertised, listed, or promoted to potential buyers.*

- * Not all submarkets fall under this broad category. Examples:
 - Farms
 - Timber
 - Apartments

Test 2

- ▶ Was an appraisal done prior to the sale to establish the sale price or to be used as a starting point for negotiations?

- ▶ If **YES**, the sale **SHOULD NOT** be rejected as a Reject Code 26. If **NO**, go to Test 3.

Test 3

- ▶ Did the sale involve a willing and informed buyer and a willing and informed seller, neither of whom were under duress to buy or sell, and is the sale price typical of the market for this type of property in your assessment district?
- ▶ If **YES**, the sale **SHOULD NOT** be rejected as a Reject Code 26.
- ▶ If **NO**, the sale **SHOULD** be rejected as a 26.

Reject 09 Trade; Gift; or Estate Sale

- ▶ Trades of properties or transfers in which nonmonetary items, such as stocks, bonds, or personal property are used as the medium of exchange.
- ▶ Sales by representatives of estates to members of the immediate family.
- ▶ Sales to a trustee for the benefit of some beneficiary.
- ▶ Estate sales not exposed to the open market.
In Residential & Seasonal Rec all estate sales are out automatically, unless all are verified throughout the county. All probate deeds, trustee deeds, quit claim deeds.

Property sold by the heirs after probate must be verified and may be rejected under other criteria.

Reject 15 Forced/Distressed Sales

- ▶ Sales to avoid foreclosure, such as short sales or sales back to the bank.
- ▶ Sales involving legal actions such as foreclosures, divorces, bankruptcies or sheriffs' sales.
- ▶ To be automatically rejected, a sale must be ordered by a court.

Reject 21 – Bank Sales

- ▶ Any sale from a bank, HUD, FMHA, or any governmental lending institution, to a private party.
 - **Resales** of repossessed property may be considered for use in the study. Thorough verification is required before these sales can be used; they should only be used if the sale meets the “open market arms-length” test.
 - **Resales** of repossessed property *by lending institutions* will not be adjusted for financing terms. Only the most recent non-rejected resale will be considered.

Sellers Information

Organization name: BANK OF AMERICA NA
Address: 350 HIGHLAND DRIVE, LEWISVILLE, TX 7506
Foreign address: No
Phone number: 8475174310
Comments: Email:

Sellers Information

Organization name: NORTHWOODS BANK OF MINNESOTA
Address: 1200 E FIRST STREET, PARK RAPIDS, MN 56470 US
Foreign address: No
Phone number: 2187327221
Comments: KYLE T SHEPHERD, PERSONAL BANKING OFFICER MAILING ADDRESS P O BOX112, PARK RAPIDS, MN 56470
Email:

Sellers Information

Organization name: Secretary of Housing and Urban Development
Address: 1670 Broadway, 21st Floor, Denver, CO 80202 US
Foreign address: No
Phone number: 2814918233
Comments: Email:

MINNESOTA · REVENUE Search by eCRV ID

Minnesota Revenue Home Search eCRVs Rep Search Tool Logout

eCRV ID: 201159
Auditor ID: 22345
Deed ID:

Status Indicators
State Review Complete: No
State Study: U

Run last search View eCRV versions Compare eCRV versions

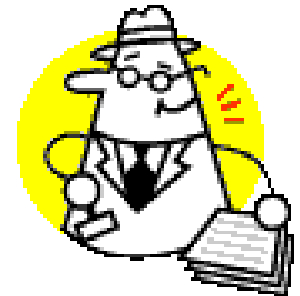
State eCRV	County	Buyers	Sellers	Property	Sales Agreement	Supplementary	Workflow
<p>Buyers Information Person name: William Bradseth Address: PO BOX 35, Black River Falls, MN 55008 US Foreign address: No Phone number: 218-84892 Comments: Information privacy indicator: No</p> <p>Sellers Information Organization name: Federal Home Loan Mortgage Corporation Address: 5000 Plano Pkwy, Carrollton, TX 75010 US Foreign address: No Phone number: 9528315010 Comments: Email:</p>							

REJECT 21

County Recommendation for State Study

Good for study: No
Reject reason: 1: Bank Sale (including HUD sales) - 21
Note: purchased from a bank Federal Home loan mtg corp

Parcel(s)



Reject 31 - Assemblage

- ▶ Definition – is the assembling of adjacent parcels of land into a single unit. Which also means Plottage
- ▶ The process of putting together the purchase, or options for the purchase, of several small parcels from multiple owners in order to create a larger parcel of land.
- ▶ The goal is to obtain enough land for a particular development in mind, or to conduct the assemblage as a speculative venture, in order to sell the larger parcel for more money than it cost to purchase the smaller parcels.

New Construction

- ▶ Values for new construction reported on the Market Value by Parcel file should reflect net changes in value instead of the gross value of new construction.
- ▶ Example- if a homeowner demolished a garage valued at \$35,000 and built a new garage valued at \$65,000, then the amount of new construction reported should be \$30,000.

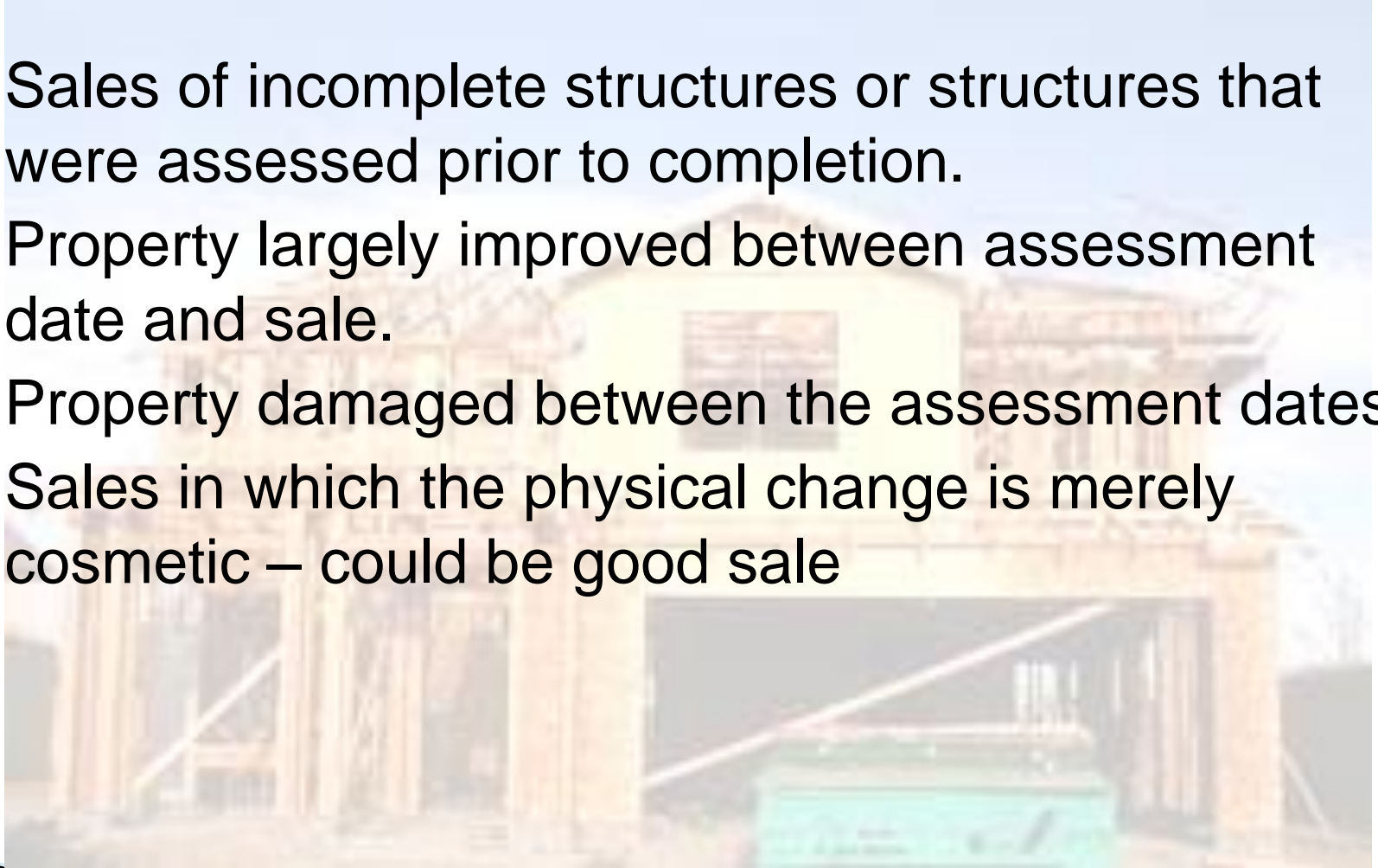
New Construction

- ▶ When reviewing sale properties -- if the assessors estimated market value of the improvements are **5% or more** of the total estimated market value,

Rejection Code 07 -Physical Change criteria should be considered

New Construction

- ▶ Sales of incomplete structures or structures that were assessed prior to completion.
- ▶ Property largely improved between assessment date and sale.
- ▶ Property damaged between the assessment dates
- ▶ Sales in which the physical change is merely cosmetic – could be good sale



New Construction Schedule

Sale Date	New Construction	Status
Oct 2013 - Dec 2013	Before sale date and after January 2013 Assessment Date	Reject for all 2014 studies
	After sale date but before January 2014 assessment date	Reject for all 2014 studies
	After sale date and after January 2014 assessment date.	Good for 12 and 9 month Tax Court Study and the 12 Month State Board of Equalization Study if the new construction from the 2015 Assessor's Market Value is subtracted.

New Construction Schedule

Jan 2014–Sep 2014	Before sale date and after January 2014 assessment date	Reject for all 2014 studies
	After sale date but before 2015 assessment date	Good for 12 and 9 month Tax Court Study and the 12 Month State Board of Equalization Study if the new construction from the 2015 Assessor's Market Value is subtracted.

Examples...

- ▶ **Example 1:**

- ▶ Sale Date: Nov 2013

- ▶ Sale Price: \$100,000

- ▶ New Construction: \$70,000 structure added in May 2013

- ▶ Status: Reject by PTCO

- ▶ Explanation: This sale would be rejected because the new construction occurred between the Jan 2, 2013 assessment date and the Nov 2013 sale date. This sale would be considered invalid for all 2014 studies.

- ▶ **Example 2:**

- ▶ Sale Date: Nov 2013

- ▶ Sale Price: \$100,000

- ▶ New Construction: \$70,000 structure added in Dec 2013

- ▶ Status: Reject by Regional Rep

- ▶ Explanation: This sale would be rejected because the new construction occurred between the Nov 2013 sale date and the Jan 2, 2014 assessment date, making this sale invalid for all 2014 studies.

Examples

- ▶ **Example 3:**

- ▶ Sale Date: Nov 2013
- ▶ Sale Price: \$100,000
- ▶ New Construction: \$70,000 structure added in July 2014
- ▶ Status: Sale is good for study but **2015 Assessor's Market Value must be reduced by the amount of by new construction** reported on the preliminary 2015 Market Value by Parcel file

- ▶ **Example 4:**

- ▶ Sale Date: Apr 2014
- ▶ Sale Price: \$100,000
- ▶ New Construction: \$70,000 structure added in Feb 2014
- ▶ Status: Reject by Regional Rep
- ▶ Explanation: This sale would be rejected because the new construction occurred between the Jan 2, 2014 assessment date and the Apr 2014 sale date, making this sale invalid for all 2014 studies.

Examples

- ▶ **Example 5:**
- ▶ Sale Date: Apr 2014
- ▶ Sale Price: \$100,000
- ▶ New Construction: \$70,000 structure added in Jul 2014
- ▶ Status: Sale is good for study but **reduce 2015 Assessor's Market Value by new construction** amount reported on the preliminary 2015 Market Value by Parcel file

Final Thoughts

- ▶ **Use your PTCO as a resource**
- ▶ **Implement best practices in avoiding sales chasing and ensuring accurate sales screening**
- ▶ **Process new construction sales early**



**Don't cry because it's over.
Smile because it happened.**

--Dr. Seuss