

Sales Condition Codes For Contract and Deed Sales Effective 8/31/15

Code Number	Description	Instructions
0	Normal	Contract and/or Deed sales considered arms length transactions
1	Quit Claim Deed	Quit Claim Deed
2	Sale to/by Government/Exempt Organization	Sales to/by a government or exempt organization (Seller or Buyer is an exempt organization). Abated properties are not included, i.e., urban revitalization or industrial abatement.
3		
4	Transfer of partial interest	Purchase of a percentage of the total fee simple. If the total interest is represented in separate DOVs, the sale may be used by totaling the selling prices of the interest.
5	Life Estates	Life estate.
6		
7	Corporate merger or reorganization	Merger or reorganization of an existing entity.
8	Timeshares or COOPs	Coops are generally transferred through shares without filing a DOV or a deed. Those coops that are operating as apartment complexes may sell the entire complex, this would not be considered a normal sale for equalization purposes.
9	Adjoining or adjacent properties.	Residential adjacent properties are used for equalization.
10	Assemblage (Does not apply to agricultural land)	Assemblage of agricultural land sales are used for equalization; however, land to be operated as a unit that is not classified Agricultural is not used for equalization.
11		
12	A forced sale, foreclosures, forfeitures, Sheriff's and Tax Sales, or transfers arising from default.	This would not include post-activity sales from a third-party to another. If Buyer or Seller is either a financial institution or a party to the deed, then it is not used for equalization.
13	Sale to/by public utility or railroad.	Central Assessment property.
14	Exchange, trade, gift, transfer from Estate. (Including 1031 Exchanges)	Transfers from an Estate would include the name of the Estate and/or a Court Officer's Deed.
15	Change in Classification	
16	Improvements or demolition after January 1 of the year of the sale but prior to actual date of sale.	Documented new additions, new buildings/garages, basement/attic finish, removal of buildings/garages or capital improvements exceeding 20% of the assessed value of the improvements, and occurring after January 1, but before the sale date will not be used for equalization. Fire or flood damage must occur after January 1 but prior to the sale date.
17	Sale between family members or related parties.	Defined as: Mother            Stepsister        Granddaughter Father            Stepbrother        Grandson Daughter        Mother-in-law    Foster parent Son                Father-in-law     Foster child Sister            Daughter-in-law   Aunt Brother           Son-in-law        Uncle Stepmother      Sister-in-law      Niece Stepfather       Brother-in-law     Nephew Stepdaughter    Grandmother      Foster brother Stepson          Grandfather       Foster sister
18	Court-ordered Sale	
19		
20		
21	Lot assessed as unplatted land (5 year plat rule)	
22	Fulfillment of prior year contract	
23	Assignment or assumption of a contract for deed.	A third party assumes the original contract terms for buyer or seller.
24	Auction sales	Except for Agricultural sales.
25	Partial Assessment (New construction or incomplete structural changes as of January 1)	Applies to new construction, but not remodeling; and incomplete structural changes as of January 1.

26	Split or division	
27	Property assessed by two assessors.	
28	Sale of two or more parcels with different statutory classifications	Does not include dual class
29	Sale between Tenant and Landlord (includes sale/lease-back transactions)	
30	Transfers to correct or modify conveyance.	
31		
32	Cemetery lot sales	
33		
34	Vacant lot	
35	Vacant building	The building must be vacant one year prior to the date of sale (excluding residential).
36	Prior year sales	Prior year refers to the instrument date year of the sale. Prior year designation is only used when the instrument date year has been closed for data entry purposes.
37	Easements	
38	No consideration	
39		
40	Sale of land without leased building	
41	Sale of leased building without land	
42	Transfers intended to secure a debt or other financial obligation.	
43		
44	Mobile Home not assessed as real estate included in sale price	
45	Relocation Sale	
46	Sale with consideration paid for real property of \$10,000 or less.	
47	Section 42 Housing	
48	Properties with Minimum Assessment Agreement unless the assessment is greater than the Minimum Assessment Agreement	
49		
50	Other with explanation.	

(Revised 8/31/2015)

## About Sales Used for Equalization

Contract Sales are not used for equalization primarily because they would require adjustment for use in equalization. For specifics on this subject please review Iowa Code 441.21 b.(1).

Declarations of Value are the source of the basic data used by the Department of Revenue in the equalization process and production of the Summary of Real Estate Assessment. All transactions, whether contract or deed, must be coded with the appropriate transaction code to indicate any abnormal sales condition. Assessors are required to complete the Declaration of Value form as prescribed by the Director.

Declarations of Value are due 60 days after the end of the calendar year quarter. As previously discussed, contract sales are not used for equalization and must be identified by the assessor on the Declaration of Value.

On May 1 of each year, a listing of the commercial and residential transactions determined to be normal, arms-length, and suitable for equalization for the prior calendar year are published and available for public inspection. Assessors have 45 days to make comments or corrections to the transactions published. Declarations of Value received after the 60<sup>th</sup> day but prior to final equalization orders, if determined to be normal, arms-length transactions, will be priority processed and added to the final list of transactions for that classification.

See: Iowa code 421.17 (6) and Iowa Administrative Code 701 – 71.10(1), (2) and (3) for specifics.