

CAMA GUIDE

SALES AND TRANSFERS

This information is a product of the Idaho State Tax Commission, and is intended for the use of Idaho county assessor offices using the ProVal computer assisted mass appraisal (CAMA) software.

The contents are provided as a guide to counties, and contain suggested procedures for using the CAMA software. Each county is responsible for setting their own policies and procedures regarding the use of the CAMA software. ProVal is a registered trademark of Manatron Corporation.

Comments, suggestions, corrections, etc., are welcome. Send to Brett Hill at bhill@tax.state.id.us

Sale or transfer...what's the difference?

There can be a variety of reasons for a property to change ownership, including sales, name changes, establishing trusts, etc. In simple terms, the transactions we are concerned with in mass appraisal are those where an owner agrees to 'transfer' ownership to a buyer for a set amount of money, and a deed is recorded formalizing that transfer.

When working within ProVal, you'll see both the terms 'transfer' and 'sale' used. It is important to understand the difference and to know which one you are using when working with analysis tools.

The transaction starts out in ProVal as a transfer. The record of that transfer is an interim way of keeping track of the transaction prior to posting (copying) it to a separate database used to maintain sales information. You wouldn't want to post the sale immediately unless you were certain that no changes had occurred to the property between its last field inspection and the sale date. You would also want to verify the validity of the sale and the sale price.

Once the transfer has been verified and is ready to be finalized, it becomes a sale. At that time, a historical copy of the sale and the parcel characteristics is made. This is often referred to as a 'snapshot' of the parcel at the time of sale.

It is important to remember that a transfer record can change over time, while a sale record is frozen. For example, a sale of bare land is entered in as a transfer, verified and then posted. Six months later, an appraiser fields a new home on the parcel and enters it into ProVal. The transfer record would then show the characteristics of both the land and the house, while the sale record would only show the land data. In this case, the bare land transfer price would be compared to an improved parcel's characteristics.

What are transfers used for?

After reading the last statement, you might wonder why we use transfers. Transfers are a handy analysis tool, easy to query for analysis reports and generally can be relied upon for basic analysis. You just have to remember that the possibility exists that the characteristics of the parcel may not still match the characteristics of the sale.

Analysis of work-in-progress can often be done easier using transfer records than sales records. For example, a ratio study report to test values prior to certification and assessment is a crucial part of the analysis process. If running it on transfers, you would want to investigate the outliers or suspect ratios to see if something has changed on those parcels since the sale, and remove them from the study if needed.

Sales posting and analysis

The process of certifying a transfer is known as sales posting. At the time of posting, the sale information and parcel data are copied from the common (parcel) database to a market database. Once posted, nothing can be changed on that sale except its validity codes. For that reason, you need to be certain the sale is valid, and that the characteristics of the parcel are correct.

If a posted sale is later determined to be invalid, it can be changed to invalid in the market database. If something needs changed in the characteristics, the original posting must be invalidated and the sale reposted under a different sales date.

One of the exciting tools in a CAMA system is the ability to perform comparable sales searches. In order to take advantage of this feature, you have to post valid sales to the market database. *Comparable searches will only pull sales from the market database, and does not use transfer records.*

An overview of the transfer/sales process

To understand the differences between sales and transfers, and why it is important, we will follow an ownership change through the entire process.

First, a deed is recorded stating that an ownership change has occurred. Someone has to process that deed and determine whether it is the result of a sale, a simple name change, or some other type of change. For this example, we'll assume that we have a warranty deed recorded as the result of an arms-length sale. We'll also assume that the county is not using the State Tax Commission's Technical Support Bureau (TSB) interface program for parcel administration (some steps are different depending on whether administration is handled within ProVal or in the AS400).

Step #	Using TSB Interface Program	Using ProVal's Administrative Program
1	Deed is recorded showing an ownership change.	Deed is recorded showing an ownership change.
2	Deed is processed and changes entered in AS400	Deed is processed and changes entered in ProVal.
3	Sales verification letter is sent to buyer.	Transfer record is created after changing name. (Sale price is generally not known at this point.)
4	When sales verification letter is returned, sale information is entered into AS400.	Sales verification letter is sent to buyer.
5	Transfer record is created in ProVal when interface program is run to download AS400 changes.	When sales verification letter is returned, transfer record is updated with complete information.
6	Transfer record is updated to include information not downloaded from AS400.	Parcel characteristics are verified to make sure they match what actually sold.
7	Parcel characteristics are verified to make sure they match what actually sold.	Transfer is posted to market database.
8	Transfer is posted to market database.	

Setting standards

Before you start entering transfers and posting sales, it is a good idea to establish standards for entering optional data. Knowing what information you might need later as you do analysis work will help you determine what to key in during sales data entry.

Standardized reports can be created and distributed statewide much easier if Idaho counties are consistent in deciding what information is entered in each field.

The following is a copy of the Transfer Information screen, along with a suggested format for entering data. It is based in large part on procedures developed in Gem County to store information into previously unused fields.

1. Grantor Seller Name
2. Grantee Buyer Name
3. Location Property Address
4. Conveyance form # Use for comments. These comments will show up on the computer in the transfer history area, but don't print on property record card.
5. Screening codes..... Use to designate validity of transfer for STC and county use
#1 Y/N Valid for STC ratio study use
#2 Y/N Valid for county analysis use
6. Property class ProVal's property class code
7. Subclass Use to designate whether the property is improved or unimproved
0 (zero) Improved
1 (one) Unimproved
8. Current value..... Enter the current total assessed value at time of sale. Don't enter dollar sign, commas or decimals.
9. Transfer type Use to indicate whether this parcel is part of a multi-parcel sale
S Single parcel sale
M Master (main) parcel in a multi-parcel sale
X Secondary parcels in a multi-parcel sale
(A multi-parcel or combined sale will have one master parcel and one or more secondary parcels)

10. Primary transfer date.....Date of sale (mm/dd/yyyy)
11. Deed book.....Deed book number (if used)
12. PagePage number (if used)
13. Document #.....Instrument number for deed that created this transfer
14. Secondary transfer date (not used)
15. Stated consideration.....Total sales price. Don't enter dollar sign, commas or decimals.
16. Deed type.....Use to note the type of deed that created this transfer
 - WD Warranty deed
 - QC Quit claim
 - (etc.)
17. Transaction type (not used)
18. Financing type.....Category combination (see chart below)
19. Buyer-seller relation.....Use to note if there is a known relationship between buyer and seller
 - Fam Family members
 - None No known relationship
 - (etc.)
20. Adjacent property.....Check this box if this is a multi-parcel (combined) sale
21. Agent/brokerUse for comments. These comments will not show up on the computer in the transfer history area or on the property record card, but can be printed on custom reports.
22. Phone numberUse for comments. These comments will not show up on the computer in the transfer history area or on the property record card, but can be printed on custom reports.
23. Note.....Use for comments. These comments will not show up on the computer in the transfer history area or on the property record card, but can be printed on custom reports.
24. Seller paid points (not used)
25. Personal propertyEnter the amount of personal property included in the sale. Don't enter dollar sign, commas or decimals.
26. Transfer fee paid..... (not used)

Category combinations

It can be very useful when creating reports to be able to select or identify parcels based on their category combination. For example, assume that you are writing a report to analyze manufactured homes declared real property on subdivision lots. If you were to try selecting sales based on their property class code (PCC), you could narrow it down to PCC 548, but that would include those on rural tracts and city lots also. By creating a category combination of 1548, you could select that combination and know that your analysis report was only pulling in the sales data that you wanted.

The category combination is entered into the 'financing type' field. It is based on the main land category and the main improvement category, and is four digits long.

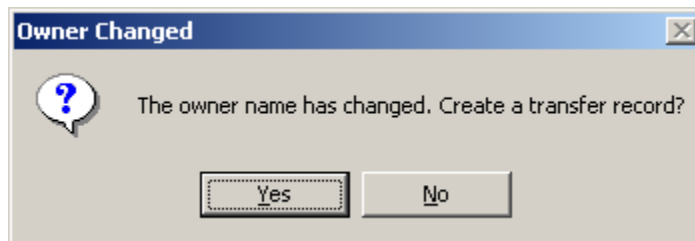
The following category combinations should cover most instances of transfers. (If you need a combination that is not shown below, first check to make sure the correct categories have been used on the parcel in ‘Allocations.’)

01	Vacant irrigated crop land	1546	Resid. subdivision and MH cat. 46
02	Vacant irrigated grazing land	1548	Resid. subdivision and MH cat. 48
03	Vacant dry crop land	16	Vacant commercial subdivision
04	Vacant meadow land	1638	Improved commercial subdivision
05	Vacant dry grazing land	17	Vacant industrial subdivision
06	Productivity forest land	1739	Improved industrial subdivision
07	Vacant forest land	18	Vacant other rural land
08	Speculative homesite	1840	Improved other rural land
09	Patented mineral land	20	Vacant residential city lot
10	Vacant ag homesite	2041	Improved residential city lot
1031	Improved ag homesite	2046	Residential city lot and MH cat. 46
1046	Ag homesite and MH cat. 46	2048	Residential city lot and MH cat. 48
1048	Ag homesite and MH cat. 48	21	Vacant commercial city lot
11	Vacant recreational land	2142	Improved commercial city lot
1133	Improved recreational land	22	Vacant industrial city lot
12	Vacant rural homesite	2243	Improved industrial city lot
1234	Improved rural homesite	25	Condo common area
1246	Rural homesite and MH cat. 46	26	Condo unit residential
1248	Rural homesite and MH cat. 48	27	Condo unit commercial/industrial
13	Vacant rural commercial	46	MH cat. 46 sold separate from land
1335	Improved rural commercial	49	MH cat. 49
14	Vacant rural industrial	60	Improvements on railroad r-o-w
1436	Improved rural industrial	61	Improvements by lessee/not cat. 62
15	Vacant residential subdivision	62	Improvements on exempt land
1537	Improved residential subdivision	65	MH cat. 65

Step by step instructions

The following instructions are based on a county that is using ProVal’s administrative system for parcel maintenance. If your county is using the TSB interface program, your procedures will vary slightly.

The process starts when the owner name is changed in ProVal’s administrative program. The person making the change will see the following dialog box:



At this point, you have three options. Each county should determine which option to implement.

- Option 1: If you want to have a transfer recorded created *every time a name changes* (for future deed research, for example), you would click “Yes” at this point, unless the change is simply the correction of a previous misspelling. The screening codes would then be set to “N” where the transfer results from something other than a sale.
- Option 2: If you want to have a transfer record created *only when the property sells*, you would click “Yes” on this screen for those changes that are the result of a sale, and “No” in all other circumstances.
- Option 3: If you want to create transfer records *only when verified sales information is obtained*, you would always click “No” on this screen. This would require that a transfer record be created later on when the sales price is ready to be entered. This option would be for those counties that only want verified sales data in the transfer history file.

For this example, we’d click “Yes”. The following screen comes up, with some of the information already filled in.

At this point, the sale price and details will probably not be known. You will be creating a transfer record that will be completed later.

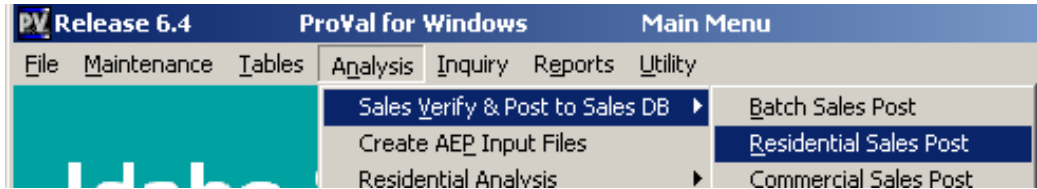
The only required field at this stage is the primary transfer date (#10 above).

Later, when the details of the sale are known, you would return to this screen. Open the parcel in administration, then choose ‘Update Transfer History’ and select the transfer you want to update. (Note: If you are using option 3 above, this is the point where you would create a transfer record and fill it in. Rather than select a transfer to update, click on ‘Add’). Fill in this screen based on the standards discussed previously.

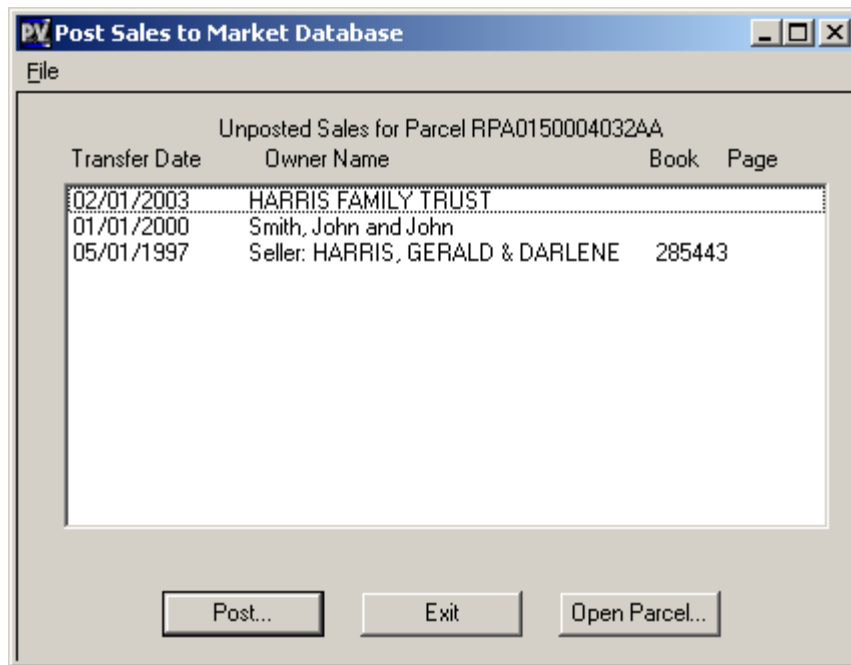
Next, the parcel characteristics need to be checked to make sure they match what actually sold. If the parcel data and the sale match, the sale is ready to post.

If they do not match, you may need to change the parcel data temporarily while you post the sale. For example, if you have a sale of bare land, but the appraisal now has a home on it, you would a) void the residential record, b) post the sale, and then go back and c) recover the voided residential record. Most of the time, the sale and appraisal will match and this is unnecessary.

At this point, you are ready to post the sale to the market database. This is done by selecting 'Analysis' from the main ProVal screen, then 'Sales Verify & Post to Sales DB', then 'Residential Sales Post'. (Batch posting is an option, but this should be explored first as there can be unexpected consequences. Individual posting is recommended.)



Open the parcel you want to post. This will bring up the following screen listing all unposted sales for that parcel. Highlight the one you want to post and click on 'Post'.



This will bring you to the following screen, which has to be filled in prior to posting the sale.

The screenshot shows a 'Post Transfer' dialog box with the following fields and callouts:

- Parcel ID: RPA0150004032AA
- Transfer Date: 02/01/2003
- Screening Codes: Y Y
- Sale Price: 64000
- Deed Book:
- Adjusted Sale: 64000 (Callout 1)
- Deed Page:
- Adjusted Reason: (Callout 2)
- Document: 0
- Validity Reason 1: (Callout 3)
- Validity Reason 2: (Callout 4)
- Comment: (Callout 5)
- Calc Improvements: (Callout 6)
- Inspected by: (Callout 7)
- Inspection Date: (Callout 8)
- Verified by: (Callout 9)
- Verification Date: (Callout 10)
- Buttons: OK, Cancel

1. Adjusted saleIf your investigation has determined that the reported sale price on the transfer record was incorrect, enter the adjusted sale price here. Otherwise, leave this field blank. If you enter an adjusted sale price, you must enter a reason code for the adjustment.
2. Adjusted reasonIf you entered an adjusted sale price above, you must now enter a code for the adjustment reason. This is a four-character field. You will want to establish a coding system for use in your county. The code is entered directly in this field, and is not restricted to a drop-down list.
3. Validity reason #1Use to designate validity of sale for STC ratio study use
Y/N Valid for STC ratio study use
4. Validity reason #2Use to designate validity of sale for county analysis use
Y/N Valid for county analysis use
*The validity reason codes come from the Characteristic Descriptions.
As a general rule, they should not be changed.*
5. CommentUse for comments
6. Calc improvements..... You will not normally put a value in this field. This is used only if you know exactly how much of the sales price was for the improvements.
7. Inspected by Who physically inspected the property?
8. Inspected date When was the property physically inspected?
9. Verified by Who verified and posted the sale?
10. Verified date When was the sale verified and posted?

You are now ready to post this sale to the market database. *Once you post this sale, you cannot make any changes to the sale record, except to invalidate it.* After this step is done, you can make corrections or changes only by invalidating this sale in the market database and reposting the sale with a different sale date.

Things to consider

At the time of this writing, the sales program in ProVal is used only for residential properties. Commercial sales should not currently be posted.

Combined (multi-parcel) sales are not adequately handled in ProVal. You can and should still enter combined sales in the transfer part of these instructions, but we recommend that you not post those sales at this time. Make sure you designate the ‘master’ and ‘secondary’ parcels in the ‘transfer type’ field. You should also create a memo on each parcel involved in the combined sale and list all the parcel numbers involved.

If you have not been posting residential sales in the past, we recommend that you do so. ProVal Plus makes working with comparable sales easier than in the past, but will only be useful if you have posted sales to work with. If you haven’t posted, you might consider starting with sales from this point on, and then make a determination of how far back to go and work on posting those older sales.

If you are in a county with a significant number of sales and seldom use sales older than one year, there is little use in posting sales older than that. However, if you typically analyze sales from an expanded time frame, you should consider posting sales back to the beginning of that time period.

Keep in mind that the farther back you go, the more likely it is that the parcel characteristics may no longer match what actually sold.

Batch posting can be done, but should only be considered on groups of parcels that you are certain are ready for posting. You would not want to batch post all unposted sales, for example, unless you have verified the transfer information and parcel characteristics on each of them. Be very careful about using batch posting to make sure you don’t post sales you don’t want to.