Requirements for Requesting Approval to Use Sale Qualification Code 41 - Other

This code is for sales that meet the following three conditions:

1) no other codes apply
2) attempts to verify the sale(s) were unsuccessful; **AND**
3) the transaction(s) do not reasonably reflect the fair market value of the sold property

OR The deed is an **exact duplicate** of a prior recorded deed. This is typically an administrative error by the title company and is not the same as a corrective deed.

To use this code, the property appraiser must have prior approval from the Department of Revenue. The county must have the documented evidence below to justify a request to use sale qualification Code 41. Send this evidence to Sonja Hinton ((850) 617-8844) at Sonja.Hinton@floridarevenue.com.

Exact Duplicate Transaction of a Prior Recorded Deed

Any exact duplicate deed may be recorded under Code 41. Please note that these are typically administrative errors or electronic processing errors by the title company and are not the same as corrective deeds (which should be recorded under Code 11). Please maintain a spreadsheet that includes the original deed and all duplicates. The spreadsheet should include book/page or instrument number, parcel ID number, sale price, sale qualification code, date of sale, grantor, and grantee. Email the spreadsheet to Sonja Hinton before submitting any SDF.

Multiple Sale Transactions in a Properly Specified Real Property Group

A properly specified real property group is a group in which the property characteristics are as similar as possible and property characteristics are not widely varied.

1. **Required Description of the Properly Specified Real Property Group Involved.** The county must identify and briefly describe the legal, physical, and economic characteristics of the real property group in which the sales occurred. Legal characteristics determine the legally permissible uses of the property; examples include, but are not limited to, zoning and future land use classifications. See section 193.011(2), Florida Statutes (F.S.), for more information on legal characteristics. Examples of physical characteristics include, but are not limited to, location, size, shape, quality, condition, age, and present use of the parcels. Examples of economic characteristics include, but are not limited to, sale prices and their range and central tendency. This description must include the DOR use code and the total number of parcels in the group.

2. **Data Required to be Submitted for Justification.** The county must submit an electronic file containing all sales that occurred in the specified real property group, regardless of whether a sale has been qualified or disqualified. This file must also contain the analysis and reasoning that justifies using Code 41. The required electronic file may be in Access,

Excel, or SPSS (Statistical Package for the Social Sciences). The electronic file must also contain, at a minimum, the following types of data for each sale: parcel ID number, DOR use code, zoning classification, sale qualification code, market area code, neighborhood code, census block group number, land size, land unit type, and number of land units, sale price, sale month, sale year, seller name, buyer name, and official record book and page or clerk instrument number. Sales of improved property must also include the following data elements: total improvement square footage, number of buildings, improvement quality code, improvement condition code, and effective year built.

3. **Additional Supporting Documentation.** The county must provide all relevant justifying documentation for each sale for which the county is requesting to use Code 41. This documentation must include, at minimum, deeds, maps, sketches, evidence of attempts to verify sales, and when applicable, photos, geographic layer shape file, reliable published data, copies of information on property use regulation, and any other relevant information.

Single Sale Transaction in a Properly Specified Real Property Group

A properly specified real property group is a group in which the property characteristics are as similar as possible and property characteristics are not widely varied. For a single sale transaction, a properly specified group would generally have significantly fewer parcels than for multiple sales transactions.

1. **Required Description.** The county must identify and briefly describe the legal, physical, and economic characteristics of the real property group within which the sale occurred. Legal characteristics determine the legally permissible uses of the property; examples include, but are not limited to, zoning and future land use classifications. See s. 193.011(2), F.S., for more information on legal characteristics. Examples of physical characteristics include, but are not limited to, location, size, shape, quality, condition, age, and present use of the parcels. Examples of economic characteristics include, but are not limited to, sale prices and their range and central tendency. This description must include the DOR use code and the total number of parcels in the group.

2. **Data Required to be Submitted for Justification.** The county must submit an electronic file containing all sales that occurred in the specified real property group, regardless of whether a sale has been qualified or disqualified. This file must also contain the analysis and reasoning that justifies using Code 41. The required electronic file may be in Access, Excel, or SPSS. The electronic file must also contain, at a minimum, the following types of data for each sale: parcel ID number, DOR use code, zoning classification, sale qualification code, market area code, neighborhood code, census block group number, land size, land unit type, and number of land units, sale price, sale month, sale year, seller name, buyer name, and official record book and page or clerk instrument number. Sales of improved property must also include the following data elements: total improvement square footage, number of buildings, improvement quality code, improvement condition code, and effective year built.

3. **Additional Supporting Documentation.** The county must provide all relevant justifying documentation for the sale for which the county is requesting to use Code 41. This documentation must include, at minimum, the deed, map, sketch, evidence of attempts to verify, and when available, photos, geographic layer shape file, reliable published data, copies of information on property use regulation, and any other relevant information.

4. **Other Circumstances Involving a Single Sale Transaction.** When a county wants to request to use Code 41 for a single sale transaction because of anything other than a comparative analysis of sales in the subject property group, the county must provide documented evidence that explains why the sale transaction does not reflect the fair market value of the sold property. The Department will consider requests and documentation on a case-by-case basis. The documentation from the county must include the information listed above in 1 and 3 for a single sale transaction.

Template Spreadsheets

The Department has developed template spreadsheets (for both vacant and improved properties) showing some of the types of helpful information for counties to use in reporting the characteristics of multiple and single sale transactions and other sales in the subject property group. These general examples cannot and do not reflect all of the data needs of every possible sale situation because these data needs will vary for each case. Depending on the circumstances in each case, the Department may require more or different information before approving use of Code 41.

These spreadsheets are available at
http://floridarevenue.com/property/Pages/Cofficial_CompleteSubRollEval.aspx.

Rehabilitated Properties

The Department received communications from various counties regarding challenges with qualifying or disqualifying rehabilitated properties for which no construction permits were filed. These properties were bought and subsequently sold after extensive unpermitted repairs. In many situations, the properties were sold twice, first at a low price, then again at a much higher price. Without permits, the extent of work completed is unknown until the subsequent sale. The Department has authorized the use of real property transfer code 41 for the second sale. As with duplicate deeds, prior approval is required. When submitting sales for approval, please submit documentation. For more information, please contact Sonja Hinton at Sonja.Hinton@floridarevenue.com.