

REAL PROPERTY TRANSFER DECLARATION COMPLETION GUIDE (TD-1000)

Every two years, Colorado Assessors must appraise all real estate in the state. Selling prices of sold properties, taken from deeds, are used extensively in the appraisal process. Because of circumstances surrounding a sale (for example, a sale between family members), some selling prices are not truly indicative of a property's value. Appraisers typically adjust sale prices when unusual circumstances exist, or disqualify (ignore) these sales altogether. The Real Property Transfer Declaration (TD-1000) alerts the appraiser in the Assessor's Office to sales which may not be an indication of a property's value. The following is a brief explanation of the purpose of each question on the Real Property Transfer Declaration:

1. Address or legal description of the real property sold:
This information links the sale to the Assessor's records and identifies the property's location.
2. Type of property purchased:
This information allows the Assessor to use one form for all uses of property and to identify the type of property purchased.
3. Date of Closing and Date of Contract if Different from Date of Closing:
The date the property is transferred from the seller to the buyer and the date of the contract if different than the date of closing. . .
4. Total sale price.
The total sale price is the most essential item of information concerning the sale, and its accuracy must be carefully scrutinized. The total sale price will sometimes differ from the recorded documentary fee. Adjustments to the sale price, often necessary before a sale can be used, are more accurate when the true price has been identified.
5. Was any personal property included in the transaction?
If personal property, as listed on the RPTD, was included in the sale price, the value of the personal property must be subtracted from the sale price to determine the sale price of the real property transferred. Refer to 39-1-103(8)(a)(I) & (f) & 39-13-102(5)(a), C.R.S.
6. Did the total sale price include a trade or exchange?
Transactions involving trades of additional items or property should be excluded from the Assessor's data bank of sales information whenever possible particularly when the value of the traded property is substantial or cannot be reliably established. However, a trade under the IRS Code Section 1031 would be included in the analysis and therefore needs to be identified on the RPTD.
7. Was 100% interest in the real property purchased?
This is crucial to identify whether or not the sale is a fee simple transaction (100%). If it is not, the sale price cannot be considered representative of the total market value of the property.
8. Is this transaction among related parties?
It is important to know whether the buyer and seller are related individuals or corporate affiliates because such sales often do not reflect market value.
9. Check any of the following that apply to the condition of the improvements at the time of purchase.
When determining market value, the condition of the property at the time of the sale is very important. If one or more of the items are checked, further analysis is necessary in order to establish the condition at the time of sale.

10. through 13. Finance questions:

When financing reflects prevailing market practices and interest rates, which is ordinarily the case with third-party financing, sales prices would not require adjustments. However, adjustments or disqualifications may be considered if the type of financing is determined atypical or non-market.

The remainder of the questions are for purchases of property other than residential.

14. Did the purchase price include a franchise or license fee?

If a franchise fee or license fee is included in the sale price and the amount can be substantiated, the sale price should be adjusted to reflect the sale price of the real property only. If the franchise fee or license fee that is declared on the RPTD appears to be atypical, further analysis may be necessary before the sale is used.

15. Did the purchase involve an installment land contract?

Title is not transferred until the final payment is made. Oftentimes the purchase price is agreed upon years prior to fulfillment of the contract and filing of the deed. Therefore, the purchase price may not be reflective of the current date on the deed.

16. If this was a vacant land sale, was an on-site inspection of the property conducted by the buyer prior to purchase?

If the answer to this question is no, the possibility exists of an unknowledgeable buyer. Follow-up with the grantee may be necessary.

17. Signature: *Validation*

18. Address and Telephone Number: *Telephone number and address to which all future correspondence regarding the property is to be sent. This would include tax bills, property valuations, and other correspondence.*