

# REAL PROPERTY TRANSFER DECLARATION INSTRUCTIONS

## (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. The Real Property Transfer Declaration (TD-1000) alerts the appraiser in the Assessor's Office to sales that 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. Physical 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:  
*The date the property is transferred from the seller to the buyer.*  
Date of contract if different than date of closing:  
*This allows the assessor to establish the exact date of the "meeting of the minds" concerning the date the sales price was agreed upon. Even though only "closed" sales are used to set values, this information may help the assessor to eliminate atypical sales conditions.*
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) and § 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?  
*It 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 or acquaintances?  
*It is important to know whether the buyer and seller are related individuals, business affiliates, or acquainted prior to the transaction because such sales might not reflect typical market value.*
9. How was the property marketed and sold?  
*This information assists the assessor in determining where to research additional information.*

10. 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.*

11-14. 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.*

15. Was an appraisal obtained regarding the transaction?  
*This information can be helpful in valuing commercial and complex properties where there may be limited data available.*

The questions remaining are for purchases of property other than residential.

16. 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.*

17. 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.*

18. 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.*

Remarks: Please include any additional information concerning the sale you may feel is important.  
*Property specific characteristics or external factors that caused the final sale price to decrease or increase, and have not been addressed elsewhere on this form, should be noted here. The change in price may have been based on discovery of inadequacies during an inspection, additional market research or buyer/seller motivation.*

Enter the day, month, and year, and have at least one of the parties to the transaction sign the document. Please ensure the buyer or seller sign on the designated line.

*Validate the form with a signature and date and printed name of signatory.*

Please provide an address where all future correspondence (tax bills, property valuations, etc.) regarding this property should be mailed to, as well as a phone number and email address for assessor or treasurer communication

*There will be correspondence from the assessor and treasurer that will be important to the new owner of record. Having an accurate mailing address and other means of contact through telephone or email may help the assessor and the new owner exchange relevant information. This is also helpful if the property sold is not the physical address for the owner of record.*

*This information is kept confidential according to Colorado law.*