

## Sales Validation Codes

REAL ESTATE SALES VALIDATION CODES AND DESCRIPTIONS						
EST's Code	EST's Long Description	EST's Short Description	Use	STEB Code Equivalents	STEB Code Description	Discussion
00	Valid Sale	VALID SALE	BOTH	00	VALID SALE	A valid sale is a typical arms-length transaction that has passed all validity tests as listed on this chart.
01	No Assessed Valuation	NO A.V.	STEB ONLY	01	NO ASSESSED VALUATION	Occasionally, a property such as a mobile home or a leasehold does not have an assessed value. If, for any reason, a parcel has no assessed value, it must be coded as invalid.
02	Family Transfer	FAMILY XFER	BOTH	02	FAMILY TRANSFER	Sales between family members and family interests are invalid. This includes relatives where names may be different, but the relationship is by marriage. In most cases, the selling price will be \$1. Sales of corporations may also be between relatives.
03	Corporate Transfer	CORP TRANSFER	BOTH	03	CORP TRANSFER	Acquisitions or divestments by large corporations, pension funds, or real estate investment trust (REITs) that involve multiple parcels typically are invalid sales.
04	Government/ Public Utility	GOV/PUB UTIL	BOTH	04	GOV/PUB UTIL	These sales often occur at prices higher or lower than would otherwise be expected. These sales include but are not limited to schools, municipal buildings, or former utility buildings and Rights-of-way.
05	Tax Exempt Agency	EXEMPT AGENCY	BOTH	05	EXEMPT AGENCY	Sales of parcels that are tax exempt for any reason are invalid. This includes all levels of government, school districts, HUD, Veteran's Administration, religious organizations, hospitals, and other similar agencies (special I.D. Codes 6 and 7). Partial exempt properties are also invalid.
06	Financial Institution	FINANCIAL	BOTH	06	FINANCIAL INSTITUTION	Sales involving banks, savings and loan, or financial and insurance business owners are not valid sales because these owners have a typical financial resource.
07	Part Interest Sales	PART INTEREST	BOTH	07	PART INTEREST SALES	Sales involving a conveyance of less than the full interest in a property should be considered invalid.
08	Forced Sale/ Sheriff Sale	FORCED SALE	BOTH	08	FORCED SALE	These sales are invalid because they are transfers that occurred under adverse conditions such as sheriff's sale, Tax Claim sale, foreclosures, and repossessions. Also known as "Treasurer's Deed" or "Commissioners' Deed."
09	Multiple-Parcel Sale	MULTI-PARCEL	BOTH	09	MULTI-PARCEL SALE	These sales are invalid because they involve more than one parcel or deed at the time of the sale.
10	Estate Sale	ESTATE SALE	BOTH	10	ESTATE SALE	Generally, estate sales are considered invalid. If property was listed for sale and exposed to the market for a reasonable period of time, the sale may be valid.

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11	Land Contract	LAND CONTRACT	BOTH	11	LAND CONTRACT	These sales are usually long term agreements to purchase the property and often do not represent the current fair market value of the property, therefore are invalid.
12	Auctions	AUCTIONS	BOTH	12	AUCTIONS	All absolute auctions should be considered invalid. Absolute auction sales may be considered valid if the following criteria are met: 1)The auction was well-advertised, 2)The auction was well-attended, 3)The seller had a minimum bid or the right of refusal on all bids (with reserve).
13	Date Of Transfer	TRANSFER DATE	BOTH	13	TRANSFER DATE	If the date of execution is in a different year than it is recorded, the sale should be considered invalid.
14	Time On Market	TIME ON MARKT	BOTH	14	TIME ON MARKET	Sales of properties that have been exposed to the open market too long, not long enough, or not at all may not represent market value. Therefore, these sales should be considered invalid.
15	Corporate Relocation Company	CORP RELO CO	BOTH	15	CORPORATE RELOCATION COMPANY	Sales where a relocation company takes possession of a property in order to liquidate the property should be considered invalid.
16	Sale Of Doubtful Title	DOUBTFL TITLE	BOTH	16	DOUBTFL TITLE	Sales in which title is in doubt tend to be below market value, therefore are invalid.
17	Lease Purchases/ Leaseback	LEASE	BOTH	17	LEASE PURCHASES/ LEASEBACK	Sales involving leasebacks are generally invalid because the sale price is unlikely to represent the market value of the property.
18	Partial Assessment	PARTIAL ASMNT	STEB ONLY	18	PARTIAL ASSESSMENT	A sale of a property whose assessment represents something less than a full percentage of market value at the time of the sale, is considered invalid. This would include tax abatement programs such as LERTA, vacant land up to five acres (property types L1 and L2), or partial exemptions. Most counties undervalue undeveloped vacant lots at 50-75% until a building is constructed. This includes silos and grain storage buildings.

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19	Equipment/ Personal Property	P.P. INCLUDED	BOTH	19	EQUIPMENT/ PERSONAL PROPERTY	Personal property is not considered taxable real estate in Pennsylvania. When personal property is included in the sale, it invalidates that sale for STEB and market analysis purposes. Personal property includes equipment, machinery, furniture, appliances, inventory, franchises, livestock, and livestock feed in storage and in the field. The sale may also include a liquor license. Careful analysis of commercial, industrial, and agricultural properties that have sold must be done to ensure the status of personal property associated with the sale. Personal property is property that is not permanently attached and can be removed without damaging the real estate. Another use of this invalid code is for leasehold mobile homes (property type "T") and for mobile homes with land (property type "RT"). This applied to special I.D. Codes 1 and 2.
20	Special/ Preferred Assessments	SPECIAL ASMNT	STEB ONLY	20	SPECIAL/ PREFERRED ASSESSMENT	The sales of properties which include special tax abatement programs are generally considered invalid. If the reviewer's research indicates the price paid was comparable to similar properties sold on the open market and not influenced by the preferential assessment, the sale may be considered valid.
21	Duplicate Sales/Deed Of Correction	CORRECTIVE	BOTH	21	CORRECTIVE DEED	The sales of properties that occur more than once in the same calendar year, and deeds recorded to correct boundaries between properties are not valid sales.
22	Other	OTHER	BOTH	22	OTHER	Any miscellaneous reason that would indicate a lack of arms-length selling price or a lack of proper description of the assessment at the time of the sale. State the reason(s) for invalidating the sale on <i>Screen T (Text/Remarks Screen)</i> .
50	Bldg/ Improvement Added Since Sale	IMPROVEMENTS	BOTH	18	PARTIAL ASSESSMENT	These sales involve parcels that have had improvements made since the last assessment OR since the date of sale. These improvements could include additions, renovations, restorations, landscaping, pavement, out-buildings, fencing, and other similar improvements.
51	Building Deleted Since Sale	BLDGS DELETED	BOTH	18	PARTIAL ASSESSMENT	These sales involve parcels that have had buildings removed since the last assessment OR since the date of sale.

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52	Paid Too Much-Outlier High Ratio	PAID TOO MUCH	ANALYSIS ONLY			This invalid code is used primarily during the development of valuation formulas. Outlier high ratios are usually due to uninformed buyers that do not have a good understanding of the local real estate market. Some people selling property in communities out of the county for very high prices often move in the county and pay too much for a property. These sales have outlier ratios of 120% of market value or higher. (This code is used mostly for reassessment purposes.)
53	Paid Too Little-Outlier Low Ratio	PD TOO LITTLE	ANALYSIS ONLY			This invalid code is used primarily during the development of valuation formulas. Outlier low ratios are usually due to uninformed buyers that do not have a good understanding of the local real estate market. Many of these sales are by elderly people who do not realize the value of their property. These sales have outlier ratios of 80% of market value or less. (This code is used mostly for reassessment purposes.)
54	Special Financing-Agreement Of Sale	AGREE OF SALE	BOTH	22	OTHER	Sales often are made on an agreement of sale or land contract that does not involve the immediate transfer of the property by a deed. These sales usually represent a selling price that is outdated, since the recording of the deed does not take place until the agreement is paid in full, usually many years later. Other special financial terms include balloon payments, no down payment, or interest only agreements.
55	Sale Too Old - Date Of Sale	SALE TOO OLD	ANALYSIS ONLY			This code is used when selecting sales for market analysis. Typically, the assessor uses sales four years or newer because older sales do not reflect current market trends. This code is also used for old deeds that have been recently recorded.
56	Split - Part Of Larger Tract	SPLIT	STEB ONLY	01	NO ASSESSED VALUATION	This occurs when the sale is less than the total tax parcel.
57	Historical	HISTORICAL	BOTH	22	OTHER	Occasionally, properties are identified as having historical significance. They are usually selected by historical groups or are adjacent to large historical sites such as a battlefield. These sales are not valid when developing formulas or for STEB purposes. <i>This code is not permitted to be used after 01/01/2013.</i>

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58	Change Of Use	CHANGE OF USE	BOTH	18	PARTIAL ASSESSMENT	A change in use from what the assessment on the property represents is cause to invalidate the sale. A parcel of land valued as farmland that sells to a developer for development purposes represents a change in use.
59	Assessed Value Error	A.V. ERROR	STEB ONLY	18	PARTIAL ASSESSMENT	If the assessor does a field inspection of the property sold and discovers that the data describing the property is incorrect, this would result in an incorrect assessment at the time of the sale. This sale should be marked invalid. The assessor should, however, correct the assessment and send the property owner a <i>Change of Assessment</i> notice. These are sales of properties whose assessment does not correctly describe the property at the time of the sale. Even though many of these may be arms-length sales, if the assessment does not correctly describe the property at the time of the sale, the resulting ratio will not predict an accurate estimate of the relationship between sale price and assessment. The installation of public sewer and water subsequent to the current assessment would be an example of an assessment error. Another reason to invalidate a sale is when it is determined that the limiting factor adjustments are incorrect and need to be removed or changed.
60	Deed Of Distribution-Judicial Order	DEED OF DIST	BOTH	08	FORCED SALE	Any sale or transfer that has occurred by judicial order is an invalid sale. These deeds include estate settlements, divorce settlements, or any other distribution of property by judicial order. Also known as "Certificate of Award of Real Estate," "Estate Distribution," "Decree Distribution," "Estate Decree," and "Order of Condemnation."
61	Purchased Adjacent Land	PURCH ADD LND	BOTH	22	OTHER	Any time property owners purchase additional land that is adjacent to land they already own, there is a possibility that the selling price does not represent the typical market. This is true because people may pay more for land if they are buying land adjacent to land they already own.

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62	Building Not Assessed Yet-Lot Only	BD NOT VALUED	BOTH	18	PARTIAL ASSESSMENT	When a new home is built on a lot, it is not visited and assessed until a later time, usually after the date of sale. In this situation, the assessment of the property is for the lot only and does not include the building. When this occurs, the sale is invalid for STEB purposes; however, it may be valid for market analysis.
63	Assessment Ratio Greater Than 100%	RATIO > 100%	STEB ONLY	22	OTHER	If the assessment ratio is greater than 100%, STEB requires that the sale be coded as invalid. <i>This code is not permitted to be used after 01/01/2013.</i>
64	Assessment Ratio Less Than 1%	RATIO < 1%	STEB ONLY	22	OTHER	If the assessment ratio is less than one percent (1%), STEB requires that the sale be coded as invalid. <i>This code is not permitted to be used after 01/01/2013.</i>
65	Two Municipalities	TWO MUNIC	STEB ONLY	22	OTHER	STEB requires that when a property's boundaries are in two or more municipalities, the sale should be coded as invalid. <i>This code is not permitted to be used after 01/01/2013.</i>
66	No Sales Price / Stamp / 1.00	NO STAMP < \$1	BOTH	02	FAMILY TRANSFER	If the deed has no selling price or value stamp, the sale must be marked as invalid.
67	Damaged Properties	DAMAGED	BOTH	22	OTHER	If the parcel is sold at the time that the buildings are damaged due to flooding, or other catastrophic disaster, then the sale must be coded as invalid. This code is not to be used just because properties are in the flood plain.
68	Restrictions/ Conservation Easement	RESTRICTIONS	BOTH	07	PART INTEREST SALES	If the property's deed contains any restrictions due to conservation easement, extreme building restrictions, large right-of-ways, or other restrictions, then the property must be coded invalid for STEB and market analysis. This can be valid for STEB purposes if the deed and the assessed value both reflect the restriction, but it should remain invalid for market analysis purposes.
69	Forced Sale - Adverse Pressure	FORCE-PRESS	BOTH	08	FORCED SALE	This invalid code should be used when the sale is due to financial pressure or other pressures to sell such as divorce, urgent job relocation, illness, or any other adverse pressure.
70	Trade Or Exchange Of Property	TRADE	BOTH	02	FAMILY TRANSFER	Occasionally, a sale involves the exchange or trade of property. It is accomplished by mutual deed and does not reflect the typical market value. These sales should be marked invalid.

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71	Business Included	BUSINESS INCL	BOTH	19	EQUIPMENT/ PERSONAL PROPERTY	Care must be taken when evaluating a sale that the transaction does not include the purchase of an on-going business as part of the real estate. This often occurs with agricultural properties and with some commercial and industrial properties. Rental businesses are not considered to be business transfers.
72	Mineral Rights - Excluded	MIN RIGHTS	BOTH	07	PART INTEREST SALES	Many property owners have already purchased property without receiving the mineral rights; however, if the sale excludes minerals, it may not be valid if there is evidence of major deposits (Special I.D. Code 5).
73	Quit Claim Deed	QUIT CLAIM	BOTH	16	DOUBTFUL TITLE	Sales that have been transferred by use of a "Quit Claim Deed" are invalid because the selling price is usually negotiated or set by a judge.
74	Mandated Liability	MANDATE LIAB	BOTH	22	OTHER	Some sales transactions include the new owner accepting the liability of various conditions, which will cost considerable amounts of money to remedy. Examples include commercial or industrial properties that are contaminated and must be cleaned under order of the Department of Environmental Protection. Any property that has underground fuel tanks may face severe liability.
75	Outbuildings Only On Land	OUTBUILDINGS	BOTH	22	OTHER	A parcel with improvements but no dwelling is a hybrid between vacant land and a residential parcel. As such its value and sales price does not fit neatly into either the Improved or Vacant categories. There are not enough of these sales to create a third study category. Furthermore, these sales are often influenced by proximity of nearby land already owned by the buyer.
76	Mobile Home On Leased Land	MOBILE HOME	BOTH	16	DOUBTFUL TITLE	Mobile homes on leased land do not have a deed and their transfer is not tracked by the Recorder of Deeds Office nor are they wanted by STEB. Some counties will track sales information from MLS and other sources for reference, but these are not typical real estate transactions.

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77	Statistical (Analysis Only)	STATISTICAL	ANALYSIS ONLY			A sale that is valid because it has passed all validity tests, but has been temporarily excluded due to its statistical variance from the current market model. Validation codes "00" and "77" may be interchangeable during model building.
78	Research Req (Analysis Only)	RESEARCH REQ	ANALYSIS ONLY			A sale that is valid because it has passed all validity tests, but has been manually excluded by an appraiser during the model building process due to questions about the parcel. Issues could result from an erroneous sale price, a non-market sale, unusual market variability, a mismatch between the property at the time of the sale and the current description, or questions about property characteristics or Age/Grade/Condition judgments. After research, the parcel may revert to a 00 valid.
79	Cost/ Settlement Sale (Odd Amount)	COST/SETTLE	BOTH	22	OTHER	Sales that don't end in a zero have been found to often be mortgage (or similar) payoffs of a specific amount without regard to the active real estate market. Such prices also tend to appear on builder sales with a non-market land allocation added to a construction/customization cost. The resulting cost value is not an arms-length transaction on the open market and effectively includes special financing arrangements.