

Amendments to House Bill No. 333
1st Reading Copy

Requested by Representative Dick Barrett

For the House Taxation Committee

Prepared by Jeff Martin
February 18, 2011 (7:56am)

1. Title, page 1, line 7.

Following: "PROPERTY;"

Insert: "ESTABLISHING REQUIREMENTS FOR INCLUDING THE SALES IN THE COMPARABLE SALES METHOD;"

2. Page 1, line 24 through line 27.

Strike: subsection (d) in its entirety

Insert: "(d) (i) Except as provided in subsection (2)(d)(ii), if the department uses comparable sales as one approximation of market value and if sufficient, relevant information is available on sales of residential properties that have been sold as real estate owned or short sales, the department shall include the sales in the comparable sales method to appraise residential property if the sales constitute more than 20% of the sales of residential property in a specific market area. For the purpose of this subsection (2)(d), real estate owned and short sales include:

(A) a sale by a financial institution because of foreclosure of the property for nonpayment of mortgage if disclosure of the trustee's sale is made, together with the sale price, on the realty transfer certificate pursuant to 15-7-305;

(B) a sale by the owner of the property at an auction that is held for nonpayment of mortgage if:

(I) the auction is advertised and the advertisement includes a statement that the seller has a minimum bid or the right of refusal of all bids. The advertisement must be published in a newspaper that meets the requirements of 7-1-2121 at least three times before the auction, with at least 6 days separating publications.

(II) disclosure of the auction sale is made, together with the sale price, on the realty transfer certificate pursuant to 15-7-305;

(C) a short sale of the property if:

(I) the short sale is made for nonpayment of mortgage;

(II) the short sale is disclosed as a short sale in the listing with a realty company;

(III) disclosure of the short sale is made, together with the sale price, on the realty transfer certificate pursuant to 15-7-305; and

(IV) the short sale by the owner of the property is verified

by the department.

(ii) The following sales of residential property may not be included in the comparable sales method to value residential property:

- (A) sales of vandalized property;
- (B) forced sales by a sheriff, receiver, or other court officer as the result of a court order;
- (C) a real estate owned sale not included in subsection (2) (d) (i)."

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