

ZERO PRICE TRANSACTIONS

We extracted two datasets from www.visionappraisal.com: DVA and HISTORY. DVA contains information on the most recent transaction for 26,798 properties in the city of New Haven. On the other hand, HISTORY contains information about some previous transactions for each of those(26,798) properties. HISTORY has 64,794 records. Table 1 shows that there are 9,475 properties with only one transaction in HISTORY, 6,556 with two transactions, and so on.

Number	1	2	3	4	5	total
Properties	9,475	6,556	4,460	2,708	3,599	26,798

Table 1. Table of number of properties per number of transactions

Almost half of all transactions in the DVA have a sale price of zero dollars. In fact, 49 percent of all the properties have 0 sale price for their most recent transaction and 54 percent of all transactions in HISTORY are 0 sale transactions. Before fitting any model involving sale price, we need to understand more about the nature of these transactions.

A few rows of HISTORY are given in table 2. It gives information on transactions involving two properties (one on 149 Fort Hale Rd and the other on 285 Lombard St). Actually, HISTORY also has information on fields such as Construction Style, Model, Land Description, Living area etc but here show only the fields MBLU, Owner, Sale Date, Price and Address for brevity. The MBLU is a unique identifier for a property. The Owner name for a transaction gives the name of the person/institution who bought the property in the transaction. For example, from the first row of table 2, we see that JOHN A PETRILLO bought the property on 149 Fort Hale Road for a sale price of \$0 on 5th May, 2006. Similarly, the second row says that DENISE A PETRILLO bought the same property a sale price of \$0 on 18th January, 1995.

Owner Name	Sale Date	Price	Address
PETRILLO JOHN A	5/5/2006	0	149 FORT HALE RD
PETRILLO DENISE A	1/18/1995	0	149 FORT HALE RD
BOUFFARD GERMAINE	10/25/1994	70,000	149 FORT HALE RD
UNKNOWN	5/25/1993	0	149 FORT HALE RD
LANGLOIS MAURICE & DONNA L	11/3/2005	295,000	285 LOMBARD ST
CREVECOEUR DORDY & ADELIN J	6/22/2004	0	285 LOMBARD ST
CREVERCOEUR DORDY	7/30/2002	138,000	285 LOMBARD ST
CONNECTICUT HOUSING COMPANY	3/1/2002	66,500	285 LOMBARD ST
CITIFINANCIAL MORTGAGE COMPANY	1/25/2002	55,000	285 LOMBARD ST

Table 2. A few rows of HISTORY

Now, if we assume that there was no transaction involving 149 Fort Hale Road between 1/18/95 and 5/5/06 (we feel this is a reasonable assumption since if there were a

transaction in between, we trust that it would have been recorded at www.visionappraisal.com), then it would mean that Denise Petrillo sold the property to John Petrillo on 5/5/06. Since both have the same last name, it is very likely that this property changed hands from wife to husband because of divorce or death and hence the sale price is zero. A similar story can be made up for the zero price transaction involving 285 Lombard Street on 6/22/04 as well.

Our main point here is that by looking at a zero price transaction in HISTORY and the owner name of the previous transaction involving the same property (if available), we can designate a buyer and a seller for the transaction. By looking at the seller and buyer for zero price transactions, we can say something about the nature of the zero price transaction. We have found out, for example, that not zero sale price transactions arise due to transfers between apparent spouses (table 3 and table 4).

Owner Name	Sale Date	Price	Address
AMERICAN MORTGAGE NETWORK INC	5/25/2006	0	495 FORT HALE RD
DELUCIA FRANK A	8/29/2003	180,000	495 FORT HALE RD
FEDERAL NATIONAL MORTGAGE	6/14/2006	0	31 WILSON ST
ELGHARBAOUI BERTHA E & MOHAMED	9/16/2002	58,000	31 WILSON ST

Table 3.

In table 3, the reason for the zero prices might be that the owners (Frank Delucia and the Elgharbaouis) defaulted on a mortgage loan and so the companies (American Mortgage Network Inc and Federal National Mortgage) seized the properties. The reason for zero prices in table 4 is not so clear. Veronica Kosko sold her properties on Burwell Street to the City of New Haven for a zero price on the same day: a day before the new year 2004. It could be a donation or seizure or something else. Note that Veronica also acquired these properties for a zero price, again all on a single day in 1992. However, we cannot say anything about these zero prices since we have no information on the previous transaction (before 1/8/92) involving these properties.

Now we shall explain our most interesting finding about the zero price transactions. Table 5 gives some transactions (not all) for properties on 155 Chatham St, 571 Quinnipiac Av and 21 Alton St respectively. We see that Anthony Perrotti got two of these properties for 0 price from Connecticut Housing Company LLC and he sold the third property to the same company, again for 0 price. These transactions happened at different times.

Owner Name	Sale Date	Price	Adress
CITY OF NEW HAVEN	12/30/2003	0	186 BURWELL ST
KOSKO VERONICA	1/8/1992	0	186 BURWELL ST
CITY OF NEW HAVEN	12/30/2003	0	182 BURWELL ST
KOSKO VERONICA	1/8/1992	0	182 BURWELL ST
CITY OF NEW HAVEN	12/30/2003	0	178 BURWELL ST
KOSKO VERONICA	1/8/1992	0	178 BURWELL ST
CITY OF NEW HAVEN	12/30/2003	0	174 BURWELL ST
KOSKO VERONICA	1/8/1992	0	174 BURWELL ST
CITY OF NEW HAVEN	2/9/2004	0	170 BURWELL ST
KOSKO VERONICA	1/8/1992	0	170 BURWELL ST

Table 4

We found that Perrotti is involved in transactions with Connecticut Housing Company LLC on many more properties (we shall present our findings later). We even found out a news article¹ which says that Perrotti actually owns Connecticut Housing Company LLC and also another company by the name Ottawa Enterprises.

Owner	Sale Date	Price	Address
PERROTTI ANTHONY	7/10/2003	0	571 QUINNIPIAC AV
CONNECTICUT HOUSING COMPANY	7/23/2002	85,000	571 QUINNIPIAC AV
CONNECTICUT HOUSING COMPANY	4/30/2001	0	21 ALTON ST
PERROTTI ANTHONY	4/30/2001	20,000	21 ALTON ST
PERROTTI ANTHONY	11/15/2004	0	155 CHATHAM ST
CONNECTICUT HOUSING COMPANY	9/3/2004	90,000	155 CHATHAM ST

Table 5

We shall say more about Perrotti and his real estate activity in New Haven in the next section. Now we shall describe how we came to know about Perrotti and his company from HISTORY. We considered all the zero price transactions in HISTORY.

Table 6 is a frequency table of the non bank owners who appear in most zero price transactions and Table 7 is the analogous table for banks.

¹ See the following website for more information: <http://planetizen.com/node/19480>