

Annual Assessment Report (AAR) – Form PR-800 Instructions

I. General Instructions

Beginning in 2020, assessors may choose to provide an AAR to the municipality. In this report, the assessor summarizes and explains to the municipality, the assessment work performed for the current assessment year. If you have questions on the AAR, email [Education and Certification](#).

Informing the municipality

- Explain the work you performed to the municipality in a manner that is understandable
- If your explanation is too technical, the municipality (may not be made up of assessment professionals) may not understand it
- Schedule time during the first meeting of the Board of Review (BOR) to review the draft or final AAR

General tips

1. **Tab key** – use the "Tab" key to navigate through the form; do not use the "Enter" key
2. **Zip + 4** – do not enter the dash in the zip + 4 (ex: enter 123456789 instead of 12345-6789)
3. **Year** – dates require a 4-digit year
4. **Note:** The AAR is a fillable PDF and does not prepopulate information from other reports or previously filed AARs
5. **AAR is a fillable Adobe PDF form** – tab through the entry fields, attach related documents and save the file to your computer
6. **Parcel counts and acres** – use Statement of Assessment (SOA) parcel counts and acres
7. **Symbols**
 - Use only the following symbols: # / . ' + _ % : @ = ; () ? –
 - Other symbols may cause errors
8. **Notes/explanation** – there is a box at the end of each section where you can enter more information

Completing the AAR

1. **AAR contains information explaining**
 - Work you performed
 - Your market and trend analyses
 - Methods used to develop your land and improved parcel valuations
 - Assessment statistics

Note: Assessors are required to follow state law and the *Wisconsin Property Assessment Manual (WPAM)*.
2. **While completing the AAR, review the following**
 - These AAR instructions
 - Wisconsin Property Assessment Manual ([WPAM](#))
3. **Accessing the AAR – from our website**
 - [Assessor page](#)
 - [Property Assessment Forms page](#)
4. **Submission due date**
 - **Delivery** – provide the original AAR to the municipality before the Board of Review (BOR) begins. If your AAR is not complete at time of the BOR, save it ,and provide the available information to the BOR.

II. Report Instructions – completing the AAR

To begin your AAR

1. Open the report and save it to your computer (ex: folder or desktop)
2. Re-open the saved AAR from your computer
3. Use the "Tab" key to navigate through the form; do not use the "Enter" key since errors may result
4. Update the report as your valuation work progresses during the year
5. To prevent losing data while you're entering data, save the report often
6. Complete the entire form (ex: checkboxes, lines, boxes, tables)
7. If the text you enter throughout the document becomes too small, attach an extended explanation

Municipal Information/Report Type

- **Co-muni Code** – enter the municipal number (revenue.wi.gov/DOR%20Publications/muninbrs.pdf)
- **Report Type** – enter Full Revaluation, Exterior Revaluation, Interim Market Update or Maintenance

Number of pages in report

- Full Revaluation, Exterior Revaluation or Interim Market Update – 16 pages
- Maintenance – 7 pages (through Section 3)

Note

- Review Chapter 4 of the WPAM to determine the type of assessment you completed
- Verify report type matches the Municipal Assessment Report (MAR)

Assessor Information

- **Assessor or Assessment Firm** – enter Assessor Company name if applicable
- **Person signing assessment roll affidavit** – enter name of the person who is signing the assessment roll affidavit and for that same person enter:
 - Certification level
 - Certification expiration date
- **Person completing form** – this is the person completing the report, enter:
 - Certification level
 - Email address
 - Certification expiration date
 - Phone number
- **Note:** Assessors assigning staff to complete the AAR take responsibility for the information provided

Assessor Information			
Assessor or Assessment Firm		Person completing form	
Name ASSOC APPR CONSULTANTS,INC		Name Teresa Mahoney	
Person signing assessment roll affidavit		Certification level	Certification expiration date
Name Affidavit Signer		Assessment Technician	9/15/2017
Certification level	Certification expiration date	Email	
ASSESSOR 1	9/15/2017	completer@ee.com	
Primary assessor since (mm/dd/yyyy)		Phone	
1/15/2017		(123) 456-7890	
Assessor comments:			
Assessor Comments			

Assessment Information			
Current		Assessment software	
Assessment type	Estimated level of assessment %	Name	
MAINTENANCE	100.00	Market Drive	
Board of Review final adjournment date		Version used	
Empty		2014.6.60	
Historical		Year of last update	
Year	Type	2016	
2015	MAINTENANCE		
2014	MAINTENANCE		
2013	MAINTENANCE		

Besides the assessor, who completed the assessment

- Enter information for anyone who helped complete the assessment (ex: field staff, measurer)
- List duties completed by each person
- If more than one person helped, list the staff in a separate file(s)

Besides the assessor who, completed the assessment (if applies)			
Name (ex: field staff, measurer) Other Assessor		Assessor certification level Assessor 1	Certification expiration date 9/15/2017
Company name (if applies) Other Assessor Company		Email tt@ee.com	
Address 123 Church St		Phone (123) 456-7890	
City Anytown	State WI	Zip 53121	
1. <input type="checkbox"/> Check if you are providing an attachment(s), labeled: Additional staff			

Section 1 – General Municipality Information

- **Municipality general description** – enter location, land area, lake and river description, demographics, and types of industry for the municipality
- **Summary of requirements** – enter dates, check the appropriate boxes, and enter figures requested regarding the statutory requirements
- **Row instructions** – review each row and enter a number or date as needed. Also, be sure to check a box (Yes, No, NA) if applicable.
 1. **Assessor's oath of office** – update each year
 2. **Mailed Notice of Changed Assessment** – enter date
 3. **Signed affidavit and attached to roll** – enter date
 4. **Submitted to DOR: MAR** – enter date
 5. **Corrections and omissions discovery**
 - » Discovered and corrected omitted real or person property – check which applies (Yes, No or NA)
 - » Provided property owners with written notice of their appeal rights – check which applies (Yes, No or NA)
 6. **Open Book information**
 - » Date of first Open Book – enter date
 - » Number of parcels reviewed and number of changes or value due to Open Book – enter number
 - » Revised notices sent – check which applies (Yes, No or NA)
 7. **Board of Review (BOR) information**
 - » Date of first BOR with complete assessment roll – enter date
 - » Reschedule date if needed – check which applies (Yes, No or NA)
 - » Assessor attended BOR to defend assessments – check Yes or No
 8. **Palpable errors or omitted parcels**
 - » Reviewed and revalued property in error and certified value with clerk – check which applies (Yes, No or NA)
 - » Verified with clerk, palpable error or omitted property was added to the roll – check which applies (Yes, No or NA)

B. Check boxes or fill in blanks of all that apply:	
Summary of Requirements	Date or Number
1. Assessor's oath of office	01/01/2015
2. Mailed Notice of Changed Assessment	
3. Signed affidavit and attached to roll	
4. Submitted to Wisconsin Department of Revenue (DOR):	
• Municipal Assessment Report (MAR)	06/05/2018
5. Corrections and omissions discovery:	
• Discovered and corrected omitted real or personal property <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	
• Provided property owners with written notice on their appeal rights <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	
6. Open Book information:	
• Date of first Open Book	
• Number of parcels reviewed	
• Number of changes of value due to Open Book	
• Revised notices sent <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	
7. Board of Review (BOR) information:	
• Date of first BOR with complete assessment roll	
• Reschedule date if needed <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	
• Assessor attended BOR to defend assessments <input type="checkbox"/> Yes <input type="checkbox"/> No	
8. Palpable errors or omitted parcels:	
• Reviewed and revalued property in error and certified value with clerk <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	
• Verified with clerk, palpable error or omitted property was added to the roll <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	

9. **Property inspection**

- » Number field inspected – enter total number of field inspections (ex: property that sold, new construction, building permits, annexations, classification) completed for that assessment year
- » Inspection type – check which applies (Interior, Exterior or Drive-by)

10. **Property sale(s) - number in municipality in prior to assessment date** – enter date

11. **Valid sales**

- » Total reviewed for validity – enter number of sales you reviewed for validity (exclude those auto rejected by DOR)
- » Number determined to be valid sales – enter total number of valid sales (Note: If the number of valid sales does NOT match the Section 3 – Assessment Statistics Residential and Commercial Totals, explain the differences in the Assessment Statistics Notes box).
- » Number of inspections for properties that sold – enter number of inspections completed for valid sales only

12. **Building permits**

- » Total number of building permits – enter total number (new construction, remodels)
- » Number of permits field inspected – enter number you field inspected (with building permits)

13. **New construction**

- » Number of new construction permits field inspected – enter number of inspections completed for only new construction (may not include building permits)
- » Do not include new construction with building permit totals. Explain your process in the Scope of Work notes.
- » Analyzed new construction and adjusted for value changes – check which applies (Yes, No or NA)

14. **Agricultural parcels**

- » Total number of parcels – enter total number of agricultural parcels
- » Total number of inspections – enter inspections completed for only agricultural classification
- » Type of inspections – check which applies (Onsite physical inspection, Drive-by, Online maps, aerial photos or Other)

15. **Updated agricultural land values using DOR's use-value rates adjusted to overall assessment level for current year as determined by assessor** – check which applies (Yes, No or NA). State law requires updating the agricultural use values.

16. **Personal property**

- » Discovered – check which applies (Yes, No or NA)
- » Date returns sent – enter the date or check NA

17. **Conducted ratio study for**

- » Previous assessment date – check which applies (Yes, No or NA)
- » Current assessment date – check which applies (Yes, No or NA)

B. Check boxes or fill in blanks of all that apply:		
Summary of Requirements		Date or Number
9. Property inspection:		
• Number field inspected		
• Inspection type <input type="checkbox"/> Interior <input type="checkbox"/> Exterior <input type="checkbox"/> Drive-by		
10. Property sale(s) - total number of all sales (valid and invalid) in municipality for year prior to assessment date		
11. Valid sales:		
• Total reviewed for validity (exclude those auto rejected by DOR)		
• Number determined to be valid sales		
• Number of inspections for properties that sold		
12. Building permits:		
• Total number of all building permits (new construction, remodels)		
• Number of permits field inspected		
13. New construction:		
• Number of new construction permits field inspected		
• Analyzed new construction and adjusted for value changes <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA		
14. Agricultural parcels		
• Total number of parcels		40
• Total number of inspections		
• Type of inspections <input type="checkbox"/> Onsite physical inspection <input type="checkbox"/> Drive-by <input type="checkbox"/> Online maps, aerial photos <input type="checkbox"/> Other		
15. Updated agricultural land values using DOR's use-value rates adjusted to overall assessment level for current year as determined by assessor <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA		
16. Personal property:		
• Discovered <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA		
• Date returns sent <input type="checkbox"/> NA		
• Valued <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA		
• Current and prior year's values		
Year	Number of Accounts	Assessed Value
2018	2,594	59,518,400
2017	3,071	90,412,000
2016	3,022	78,218,500
17. Conducted ratio study for:		
• Previous assessment date <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA		
• Current assessment date <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA		

Section 2 – Scope of Work

- **Work Activity** – includes the analysis and consideration of the highest and best use of property, along with the location, physical, economic, and legal aspects associated with the taxable properties.

Work Activity						
Class Code	Class Type	Parcel Count	Full Revaluation	Exterior Revaluation	Interim Market Update	Review/Maintenance
Class 1	Residential	344	%	%	%	%
Class 2	Commercial	45	%	%	%	%
Class 4	Agricultural	0	%	%	%	%
Class 5	Undeveloped	1	%	%	%	%
Class 5m	Agri Forest	0	%	%	%	%
Class 6	Prod Forest	1	%	%	%	%
Class 7	Other	0	%	%	%	%
Personal Property			%			

- **Table Information**
 - Enter parcel counts from SOA
 - Enter a percentage in each field that adds up to 100 percent
 - You must have an entry for each field – if you do not have a parcel count for a class type, enter "0%" for every field in that row
- **Definitions of terms used in the Work Activity table**
 - **Full Revaluation**
 1. Field review and verify Class 4–7 classification changes
 2. Inspect the interior and exterior of all parcel improvements, measure, photograph, and sketch the buildings and map the layout of Class 7 farm set building
 3. Identify land sizes and verify classifications
 4. Conduct sales validation/verification inspections and analysis; and report results
 5. Conduct inspections of significant building permit activity to update PRC attributes
 6. Create new or recalibrate existing automated valuation models (AVMs) and update individual valuation models for unique property to assess all properties
 7. Onsite reviews to verify personal property accounts and physically inspect/audit assets
 - **Exterior Revaluation**
 1. Field review and verify Class 4–7 classification changes
 2. Inspect the exterior of all parcel improvements
 3. Measure, photograph, sketch the buildings, and map the layout of Class 7 farm set buildings
 4. Identify land sizes and verify classifications
 5. Conduct sales validation/verification inspections and analysis, and report results
 6. Conduct inspections of significant building permit activity to update PRC attributes
 7. Create new or recalibrate existing automated valuations models (AVMs) and update individual valuation models for unique property to assess all properties
 8. Onsite reviews to verify personal property accounts, without physical inspection/audit of assets
 - **Interim Market Update**
 1. Field review and verify Class 4–7 classification changes
 2. Conduct sales validation/verification inspections and analysis; and report results
 3. Conduct inspections of significant building permit activity to update PRC attributes
 4. Recalibrate existing automated valuations models (AVMs) to appraise all properties and update individual valuation models for unique property based on sales analysis
 5. Onsite reviews to verify personal property accounts, without physical inspection/audit of assets
 - **Review/Maintenance**
 1. field review and verify Class 4–7 classification changes
 2. Inspect the new construction, demolition, splits, combinations, reclassifications and annexations
 3. Conduct sales validation/verification inspections and analysis; and report results
 4. Conduct inspections of significant building permit activity to update PRC attributes
 5. Onsite reviews to verify personal property accounts, without physical inspection/audit of assets

- **Scope of work notes** – in this area, provide a narrative of the work you performed. Include a high-level explanation of the work you completed. Examples may include: number of questionnaires mailed out for use-value inspections; additional efforts expended on discovery, listing, valuation, sketching; and the creation of electronic records. **Note:** Use the scope of work notes as the basis for your presentation to the local BOR and municipal officials.

Section 3 – Assessment Statistics

Enter assessment statistics in the provided table. If you need more information on ratio studies, review the WPAM. There is no required number of sales for a ratio study.

- **Current and Prior Year Statistics**

Current and Prior Year Statistics						
Major Classes →	Residential		Commercial		Other	
	2019 Assessment Year 2019 Data Year 2018	2018 Assessment Year 2018 Data Year 2017	2019 Assessment Year 2019 Data Year 2018	2018 Assessment Year 2018 Data Year 2017	2019 Assessment Year 2019 Data Year 2018	2018 Assessment Year 2018 Data Year 2017
Number of valid sales		1,394		32		0
Total assessed value of valid sale parcels		204,779,200		12,663,900		0
Total sales price of valid sales parcels		216,604,479		12,717,695		0
Aggregate ratio		94.50		1.00		0.00
Mean		95.50		1.02		0.00
Median		94.40		98.00		0.00
Coefficient of dispersion		6.88		15.00		0.00
Coefficient of concentration		91.27		64.70		0.00
Price-related differential		1.01		102.30		0.00

- **Table helps explain the relationship of sale prices and assessments**

Assessment Year 2019, Data Year 2018 – 2018 statistics compare the January 1, 2019 assessments to the sales that occurred during 2018

Assessment Year 2020, Data Year 2019

- After the 2020 assessment is complete, a ratio study is conducted to review changes made during a revaluation (if applicable)
- January 1, 2020 statistics compare the January 1, 2020 assessments to the sales from 2019
- Enter the 2020 assessments
- Enter the aggregate, mean and median ratios; coefficient of dispersion; coefficient of concentration; and price-related differential as determined by your analysis of this information

- **Any Assessment Type –Attachments**

- Affidavit
- BOR notice
- Contract
- Map(s)
- Assessment notice
- Name(s) of staff who completed assessment
- PRC sample(s)
- Ratio analysis
- Summary of Open Book Actions (Form PR-130)

***** End of data entry for Maintenance AAR *****

Section 4 – Valuation

- **Valuation Methods**

- **Model** – according to International Association of Assessing Officer's (IAAO) Mass Appraisal of Real Property, a model is “a representation of how something works. For purposes of appraisal, a representation (in words or equation) that explains the relationship between value and variables representing supply and demand factors.”
- **Model Specification** – according to IAAO’s Mass Appraisal of Real Property, “Model Specification is the formal development of a model in a statement or equation, based on data analysis and appraisal theory. During model specification, one determines the variables to test or use in a mass appraisal model.”
- **Model Calibration** – from IAAO’s Mass Appraisal of Real Property, “Model Calibration is the development of the adjustments or coefficients from market analysis of the variables to be used in a mass appraisal model”
- **Model Validation** – validation of the model is accomplished by a ratio study showing the results of the model before and after changes in model specification or calibration

- **Model**

- **Valuation Summary** – enter the approximate percentage of parcels from each class using the valuation method you applied. Enter "0%" in fields **not** utilized. **All fields must** be filled in. Verify personal property information.
Example 1: If the municipality has buildings on leased land assessed as personal property, enter the method(s) used to value this property in the Valuation Summary.
Example 2: If the municipality has mobile homes. Enter the method(s) used to value the mobile homes. You must provide an entry if the municipality contains mobile homes or mobile home parks.
- **Analysis of Local Trend** – provide the number of sales utilized in your trend analysis to determine the market trends by class of property. Time trending should be defined under "Other" and in Box #5 or in the attachments area. Utilizing various methods to determine a market trend is critical in a declining or rising market. A decrease in sales price of the assessed value indicates declining value when the sales are a statistical representation of the class.

Valuation Summary								
Class Code	Class Type	Land Values From Market	Cost Models			Sales Models		Income Model
			WPAM Costs Volume II	Other Cost Manual	Composite Conversion Factor	Composite Adjust Grid	Statistical Model	Direct or Yield Method
1	Residential	%	%	%		%	%	%
2	Commercial	%	%	%		%	%	%
4	Agricultural							
5	Undeveloped	%						
5m	Agri forest	%						
6	Prod forest	%	%	%		%	%	%
7	Other	%	%	%		%	%	%
P1	Boats and other watercraft				%			
P3	Furniture, fixtures and equipment				%			
P4A	Other				%			
P4B	Buildings on leased land		%	%	%	%	%	%
	Mobile homes	%	%	%		%	%	%

4. Analysis of local trend

Various statistical analyses were performed to determine the current trend in real estate for this jurisdiction. Included in this analysis were 1,000 sales from January 1, 2017 through December 31, 2017. Sales prior to the assessment date are analyzed to determine if the market is stable, appreciating, or depreciating.

a. Method(s) used to determine the market trend:

- Analysis of economic/market trends from outside professional sources
- Analysis of square foot selling price
- Paired sales analysis
- Regression analysis
- Insufficient sales
- Other - explain: _____

The period could be one to three years depending on how many sales are available.

Check the box indicating the method you used.

Checking "Insufficient sales" removes trend entry below.

Based on the above analysis, the local trend for the period January 1, _____ to January 1, _____ is:
3 % per year (indicate positive or negative annual trend) - Residential
5 % per year (indicate positive or negative annual trend) - Commercial

Could be shorter than above.

Section 5 – Land Valuation

- **Previous year sales** – enter the number of land sales in each class and then check each method you used to value the land.

Class Code	Class Type	Number of Vacant Land Sales
1	Residential	999
2	Commercial	998
4	Agricultural	997
5	Undeveloped	996
5m	Agri forest	95
6	Prod forest	94
7	Other	9

Check all that apply:

1. Specification:

Method(s) used for appraising land:

- Comparative unit method
- Base-lot method
- Allocation method
- Abstraction method
- Anticipated use or development method
- Capitalization of ground rent
- Land residual capitalization
- Other _____

Note: If there is a specification explanation, it is located in the Land valuation notes on page 12, or it is attached.

• **Class Codes**

- Enter market value ranges, not assessed values (ex: market value of agricultural land **not** use value and full market value of undeveloped land)
- Provide the minimum and ACRE field

Class 1 - Type: Residential	Approximate Unit Value Range +		
	Type	Minimum	Maximum
Class 2 - Type: Commercial	Approximate Unit Value Range +		
	Type	Minimum	Maximum
Class 4 - Type: Agricultural	Approximate Unit Value Range +		
	Type	Minimum	Maximum
Class 5 - Type: Undeveloped	Approximate Unit Value Range +		
	Type	Minimum	Maximum
Class 5m - Type: Agri forest	Approximate Unit Value Range +		
	Type	Minimum	Maximum
Class 6 - Type: Prod forest	Approximate Unit Value Range +		
	Type	Minimum	Maximum

Unit value range may display multiple types. Do NOT duplicate types under one class:

2. Class Codes

Class 1 - Type: Residential	Approximate Unit Value Range +		
	Type	Minimum	Maximum
	Acre	450.00	10,500.00
	X Front Foot	1,000.00	4,500.00
	X Square Foot	65.00	225.00
Class 2 - Type: Commercial	Approximate Unit Value Range +		
	Type	Minimum	Maximum
Class 5 - Type: Undeveloped	Approximate Unit Value Range +		
	Type	Minimum	Maximum
Class 6 - Type: Prod forest	Approximate Unit Value Range +		
	Type	Minimum	Maximum

• **Influence Factors**

These are applied to individual parcels to account for external influences due to location, shape, size, view or topography. Influence factors are determined by analyzing vacant sales and looking at the indicated land residual of improved sales. **Enter the influence factor reasons. Enter "NA" if there are none.** Those influences can be either positive or negative.

Examples:

- Positive influence – location adjacent to a park
- Negative influence – residential lot located next to a landfill

Influence factors in the jurisdiction were applied for the following reasons:		
Class Code	Class Type	Reasons for Influence Factors
Class1	Residential	Zoning, traffic, water, noise
Class 2	Commercial	Zoning, traffic, water, noise
Class 4	Agricultural	Soil type
Class 5	Undeveloped	Zoning, traffic, water, noise
Class 5m	Agri forest	Zoning, traffic, water, noise
Class 6	Prod forest	N/A
Class 7	Other	Zoning, traffic, water, noise

When completing a Revaluation, provide:

- Sales Used
- Sales NOT used
- Model Calibration, documentation of values
- Model Validation: ratio study
- Basis for adjustments

Section 6 – Improved Property Valuation

- **Cost Approach**

1. Specification – identify the source of the cost approach model

Check all that apply:

<p>Technique(s) used to determine model specification:</p> <p><input checked="" type="checkbox"/> Volume II of the <i>Wisconsin Property Assessment Manual</i> used to specify residential, apartments, agricultural property, and other</p> <p><input type="checkbox"/> Marshall Valuation Services used to specify commercial property</p> <p><input type="checkbox"/> I developed my own model specification</p> <p><input checked="" type="checkbox"/> Other cost (identify) <u>My other cost approach</u></p>

2. Calibration:

The cost model is calibrated by studies of new construction. Volume 2 of the Wisconsin Property Assessment Manual (WPAM) provides cost figures for residential, apartment, and agricultural property. The figures in the WPAM were published as of 2018 and are maintained annually by the publication of local modifiers.

Local modifiers have two components:

- **First is a modifier for location** – an adjustment from a central geo-source to all other locations (ex: The central source in year one would have a location modifier of 1.00. A distant location where materials and labor are less expensive may have a location modifier of .95.)
- **Second is a modifier for time** – represents a component that reflects the change in material and labor cost from year to year (ex: Three years after the original cost analysis, the costs may have increased by 15%; therefore, the modifier would be 1.15)

Depending on the cost service, the modifiers may be combined and provided as one figure or they may have to be built-up from individual figures. Modifiers are usually presented by factors which can be chain-multiplied to derive a final figure.

Check all that apply:

<p>Technique(s) used to determine model calibration:</p> <p><input type="checkbox"/> Volume II of the <i>Wisconsin Property Assessment Manual</i> used for residential, apartments, agricultural property, and other</p> <p><input type="checkbox"/> Marshall Valuation Services used for commercial property</p> <p><input checked="" type="checkbox"/> I developed my own cost figures</p> <p><input type="checkbox"/> I validated the multiplier (as supplied in WPAM, Volume II)</p> <p><input checked="" type="checkbox"/> I developed my own depreciation tables</p>

• **Sales Comparison Approach**

1. Specification

There are several models that can be typically applied using sales comparison. The first is the traditional sales comparison approach whereby the appraiser selects recent sales of similar properties that are located in the same neighborhood as the subject property. The appraiser then adjusts the sales to make them similar to the subject. The resulting adjusted sales prices are then used to estimate the likely selling price of the subject. Multiple regression analysis uses a statistical method to analyze sales. The process analyses the variance in selling price in terms of property attributes. The result is an equation that can be used to estimate value for unsold properties. The process also generates figures that can be used in the traditional sales comparison approach as described above. The method requires a number of sales that represent a sufficient sample of the total parcel base.

Check all that apply:

<p>Specification(s) used to establish the model:</p> <p><input checked="" type="checkbox"/> Sales comparison</p> <p><input type="checkbox"/> Multiple regression analysis</p> <p><input type="checkbox"/> Other - explain: _____</p> <p><input type="checkbox"/> Not applicable - insufficient sales</p>

Sales not used text box and attachment Section 6B. 1a – Sales Not Used

The number of valid sales provided on p.14 box # 11 and those identified in Section 3 – Assessment Statistics (p.7) reflect the number of valid sales. If these two entries do **NOT** match, provide an explanation in the **Sales not used text box** and include the list of sales not used as an attachment. **Note:** Some valid sales may not be used for ratio purposes – explain why these valid were not used.

<p>Sales not used:</p> <div style="border: 1px solid black; height: 60px; width: 100%;"></div>
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2. Calibration – Model Calibration

The process of determining the actual adjustment amounts for the traditional sales comparison approach is calibration. There are several ways to determine the adjustment factors for use in the sales comparison approach. The appraiser can (a) simply compare unadjusted sale prices, (b) use cost figures for adjustment, (c) use paired-sales analysis to determine adjustments, or (d) use a statistical analysis such as regression to determine the adjustments.

Check all that apply:

<p>Calibration technique(s) used:</p> <p><input type="checkbox"/> Sales listing showing property attributes</p> <p><input type="checkbox"/> Sales comparison approach with adjusted comparables</p> <p><input checked="" type="checkbox"/> Multiple regression analysis</p> <p><input type="checkbox"/> Other - explain: _____</p> <p><input type="checkbox"/> Not applicable - insufficient sales</p>

3. Validation

Under any of the calibration methods, it is important to validate the depreciation tables. According to the WPAM, "The assessor should study the CDU rating system with its definitions, keeping in mind that the tables are only guides and the true measure of depreciation must be obtained from market studies. With valuation experience, the tables can be refined to give adequate residual, or percent good estimates...the assessor will find these tables extremely useful for being consistent in depreciation considerations." A step-by-step discussion of depreciation analysis is presented on pages 135 through 156 of IAAO's Mass Appraisal of Real Property.

The assessor needs to validate any selected model by comparing the estimated values for those properties that sold to the actual sale prices. The smaller the difference, the more accurate the model.

Check all that apply:

Sales comparison model was validated by: <input checked="" type="checkbox"/> Comparing the value estimates using the model against the sale prices <input type="checkbox"/> Other - explain: _____ <input type="checkbox"/> Not applicable - insufficient sales

• **Income Approach**

Describe steps taken to develop an income approach to value and attach a copy of your income and expense survey. Check the box for the specification, calibration, and validation methods used.

1. Specification: There are two models (Direct and Yield) that can be used to appraise commercial properties using the income approach. Specification(s) used for the income approach: <input checked="" type="checkbox"/> Direct Capitalization <input type="checkbox"/> Yield Capitalization <input type="checkbox"/> Other - explain: _____ <input type="checkbox"/> Not applicable If there is a specification explanation, it is located in the Income approach notes below, or it is attached.
2. Calibration: Calibration(s) used for the income approach: <input checked="" type="checkbox"/> Data from market <input type="checkbox"/> Data from professionally acceptable sources <input type="checkbox"/> Other - explain: _____ <input type="checkbox"/> Not applicable
3. Validation: Validation used to test the income model: <input checked="" type="checkbox"/> Comparing the value estimates using the model against the sale prices <input type="checkbox"/> Other - explain: _____ <input type="checkbox"/> Not applicable - insufficient sales

Attachments

The documents to attach vary depending on the type of report. There is no limit to the number of attachments you provide with your report.

- **All assessment types –attachments**
 - Affidavit
 - Assessment notice
 - Name(s) of staff who completed assessment
 - PRC sample(s)
 - Ratio analysis
 - Summary of Open Book Actions (Form PR-130)
- **Full revaluation, exterior revaluation, interim market update –attachments**
 - Revaluation notice
 - Sales used
 - Sales not used
 - Valuation analysis
 - » Cost
 - » Income
 - » Sales

- **Any assessment type – attachments**
 - BOR notice
 - Contract
 - Map(s)

Finalizing your Report

- **After completing your report, verify:**
 - Information is accurate
 - Documents are attached
- **Review your report** – make sure to save and/or print a copy for your records