

GENERAL REQUIREMENTS

VISION shall perform market analysis services for the Town of Falmouth Maine, described in the specifications, which are summarized as follows:

- A. VISION shall provide a Market Analysis study.
- B. VISION shall determine the “just value” (fair market value) of all arm’s length sold properties over a 12-month timeframe.
- C. The valuation and use of such property shall be determined as of December 31, 2019 and shall reflect the status of the property as of that date.
- D. VISION will perform these services in a timely fashion, commencing prior to February 1, 2020 and complete by March 31, 2020. VISION shall not be held responsible for supporting any values.

MARKET ANALYSIS SPECIFICATIONS

A. APPRAISAL OF LAND SALES

The COMPANY shall provide market analysis for residential, commercial and industrial land within the Town. The Town shall provide one (1) set of maps, including zoning and wetlands maps and information regarding variances and special exceptions granted by the Town.

1. Land Value Study

Land value shall be determined on the basis of Highest and Best use.

- a. Vacant land sales data shall be analyzed on all sales, at a minimum, occurring during the one (1) year prior to January 1, 2020,
- b. Improved property sales data shall be analyzed, at a minimum, on sales occurring during the one (1) year period prior to January 1, 2020 in order to determine relative land value by the Abstraction Method.
- c. The COMPANY shall consider factors affecting land value, such as location, zoning, available utilities, size, shape, view, improved/unimproved, special exceptions or zoning variances, nonconforming uses, flood plains, special purpose uses, and form of ownership.
- d. All factors affecting value and valuation computations, including but not limited to those listed above shall be entered in the sales CAMA file.

2. Neighborhood Delineation

After consideration of the environmental, economic and social characteristics of the Town, the COMPANY shall delineate "neighborhood" units within the Town. Each neighborhood unit will exhibit homogeneous characteristics. These neighborhood numbers shall be recorded and maintained in the sales CAMA file.

B. APPRAISAL OF RESIDENTIAL SALES

1. Pricing and Valuations

- a. Pricing and valuations of land and buildings will reflect the fair market value as of December 31, 2019.
- b. The valuation shall be the market value of the structures plus the market value of the land. In arriving at the market value of the structures replacement cost less depreciation from all causes may be considered along with other factors affecting the value of the property, all of which shall be noted on the appraisal card.

2. Sales Analysis

A sales analysis program of residential properties shall be performed as a means of determining the schedule levels to be utilized in the project and for substantiating the neighborhood boundaries and groupings established. This analysis shall be done on the aggregate of all residential sale properties and on each of the neighborhoods previously delineated. The sales analysis shall include, at a minimum, sales ratios and coefficients of variation or dispersion.

C. APPRAISAL OF COMMERCIAL & INDUSTRIAL SALES

1. Income Approach

- a. Income and expense data shall be gathered by the TOWN, which shall become the property of the Town at the completion of the PROJECT. This information shall not be a public record.
- b. The COMPANY shall develop, capitalization rates and/or gross rent multipliers.
- c. The COMPANY shall determine market or economic rents and expenses and applicable capitalization rates and/or gross rent multipliers for various classes of commercial property. The COMPANY shall perform the income approach by the accepted methods of capitalization. Gross rent multipliers can be used as an additional valuation check where applicable.
- d. All information gathered, received or used by the COMPANY to develop values using the income approach must be given to the Town Assessor at the end of the PROJECT.

D. DOCUMENTATION

1. The COMPANY agrees to provide to the Town, the Market Analysis final documentation for the project.