ANALYSIS OF DETERMINANTS OF EXPOSURE TIME FOR LIQUIDATION VALUE AT THE PUBLIC APPRAISAL SERVICE OFFICE IN MEDAN CITY

By
Arbi Qirara M. Purba[1*], Sugiharto Pujangkoro[2], Nazaruddin[3]
[1, 2, 3] Master in Property Management and Valuation, Universitas Sumatera Utara, Indonesia
Email: [1]arbipoerba@yahoo.co.id

Abstract: *The purpose of this research is to understand analysis of determinants of exposure time for liquidation value at the Public Appraisal Service Office in Medan City. This research is a correlationresearch. The population in this study are all the Public Appraisal Service Office in Medan City. Based on information as of April 17, 2020 from the Financial Professional Development Center, the number of the Public Appraisal Service Offices in Medan City is 28 offices. The method used in this sampling is saturated sampling. Researchers took the same number of samples as the population or called a census, namely the Public Appraisal Service Office in Medan City, represented by 3 appraisers from 1 the Public Appraisal Service Office in Medan City with a total sample of 84 people. The analysis method uses t-statistics (bootstrapping). The results show that location of the object has a positive and significant effect on exposure time for liquidation value at the Public Appraisal Service Office in Medan City. Type has a positive and significant effect on exposure time for liquidation value at the Public Appraisal Service Office in Medan City. Function or condition has a positive and not significant effect on exposure time for liquidation value at the Public Appraisal Service Office in Medan City. Market condition has a positive and not significant effect on exposure time for liquidation value at the Public Appraisal Service Office in Medan City.*

INTRODUCTION

Collateral is one part of the principle in credit assessment. The implementation of lending from banks to prospective debtors is carried out with caution and refers to the 5C principle. However, the public or prospective debtors assume that credit application to the bank prioritizes collateral or assets that will be used as collateral without looking at the business or how to return the credit which will be obtained. This is not entirely wrong,

because almost all banks want collateral that is bound that can give birth to priority rights for the bank as the recipient of the collateral. This causes banks to try to provide credit with "safe" collateral without fear of being sued by third parties or other creditors who file a lawsuit before the debtor pays off his debts.

Banking credit aims to assist the availability of funds to finance national production activities, storage of materials, financing of credit sales, transportation of goods and trading activities. The role of credit is quite dominant in a developing country in order to develop economic potential (Hermanto, 2006). The provision of credit that runs smoothly will develop and improve the economic activities of a country. The position of the bank is very vulnerable with the provision of credit which contains a "degree of risk" which does not rule out the possibility of a bad credit (Astuti, 2009).

Bad loans can be interpreted as loans that have difficulty repaying due to intentional factors and or external factors beyond the control of the debtor (Dahlan, 2001). Bad credit is a customer's difficulty in settling his obligations to the bank, either in the form of repayment of principal, payment of interest, or payment of bank fees that are the burden of the debtor's customer concerned.

Based on data from the Financial Services Authority in May 2019, the ratio of banking gross non-performing loans increased slightly to 2.61 percent from 2.57 percent in the previous month. In line with that, the ratio of banking net non-performing loans also rose to 1.18 percent from the previous 1.15 percent.

Auction is a sale of goods in public by way of verbal and increasing bidding to obtain an increasing price or by offering a decreasing price and/or by means of a closed and written price offer that is preceded by an effort to gather potential interested parties/buyers of the auction led by the auctioneer. The auction referred to in this case is as an alternative to selling goods. This is very different from the auction of the procurement of goods or services in the context of implementing the state budget of revenues and expenditures between the government and legal entities that offer goods or services.

The purpose of this research is to understand analysis of determinants of exposure time for liquidation value at the Public Appraisal Service Office in Medan City.

RESEARCH METHODS

This research is correlation research. Correlation research is research that involves the act of collecting data to determine whether there is a relationship and the degree of relationship between two or more variables (Pandiangan, 2015; Pandiangan, 2018). This research can also be categorized as research that tests hypotheses empirically, which is included in the group of types of research based on the method of scientific expansion. In this study, the researcher intends to test the truth of the hypothesis that has been described in the previous chapter based on existing theories and related research results that support the course of this research (Pandiangan et al., 2018; Pandiangan, 2022).

The population in this study are all the Public Appraisal Service Office in Medan City. Based on information as of April 17, 2020 from the Financial Professional Development Center, the number of the Public Appraisal Service Offices in Medan City is 28 offices. The sample is part of the population that will be used as objects in conducting research and testing data (Pandiangan et al., 2021). The method used in this sampling is saturated

sampling. Researchers took the same number of samples as the population or called a census, namely the Public Appraisal Service Office in Medan City, represented by 3 appraisers from 1 the Public Appraisal Service Office in Medan City with a total sample of 84 people.

The analysis method uses t-statistics (bootstrapping). T-statistics (bootstrapping) is any test or metric that uses random sampling with replacement (e. g. mimicking the sampling process), and falls under the broader class of resampling methods. Bootstrapping assigns measures of accuracy (bias, variance, confidence intervals, prediction error, etc.) to sample estimates (Pandiangan et al., 2022; Tobing et al., 2018).

RESULT
The Public Appraisal Service Office Overview

The Public Appraisal Service Office is a forum for public appraisers to provide services and has obtained official permission from the Minister of Finance. The duties of a public appraiser have also been regulated in the Regulation of the Minister of Finance of the Republic of Indonesia Number 125/PMK.01/2008 regarding the services of public appraisers and external appraisers as stated in the Regulation of the Minister of Finance on auction and state assets.

The Public Appraisal Service Office's business entity can be in the form of an individual or a partnership. The Public Appraisal Service Office in the form of a sole proprietorship can only be established and run by a public appraiser who also acts as a leader. The Public Appraisal Service Office in the form of a partnership business entity is a civil partnership or firm.

Several types of appraisal services carried out by the Public Appraisal Service Office include:

1. Simple property valuation. The properties that are within this scope are vacant land for settlements, apartments, houses, offices, kiosk shops, individual machines, to means of transportation.
2. Valuation of property. Within this scope, the types of property include land and buildings and their accessories, machinery and equipment, transportation and heavy equipment; telecommunications equipment, agriculture, and mining.
3. Business appraisal. The scope for this assessment is quite extensive. The Public Appraisal Service Office can handle business entities, securities, company rights and obligations, intangible assets, economic losses, financial instruments, to project financing supervision.
4. Personal valuation of property. In this scope, the Public Appraisal Service Office handles factories including installations, machinery and equipment and installations, transportation equipment and heavy equipment, to telecommunications equipment including transmitters.

Based on the results of interviews with researchers with the Public Appraisal Service Office in Medan City, the property objects in this study are divided into 3 parts, namely residential houses in the complex, residential houses outside the complex, and shop houses. In the process, the researcher applied a survey method to obtain facts from existing symptoms and sought factual information about the problems in this study by collecting

quantitative data from the survey results by distributing questionnaires to the target respondents in the study area.

T-Statistics (Bootstrapping)

The t-statistic analysis method is carried out through a bootstrapping procedure which aims to see the significance value between constructs. The limit for rejecting and accepting the proposed hypothesis is ±1.96, which if the t-statistic value is in the range of -1.96 and 1.96, the hypothesis will be rejected. Table 1 presents the results of the path coefficients and the direct effect significance test:

Table 1. Path Coefficient Value and P-Value (Direct Effect Significance Test)

	Original Sample (O)	Sample Average (M)	Standard Deviation (STDEV)	T Statistik (|O/STDEV|)	P Values
Location (X_1)-> Exposure Time (Y)	0.349	0.319	0.155	2.070	**0.028**
Type (X_2)-> Exposure Time (Y)	0.355	0.343	0.093	3.829	**0.000**
Function (X_3)-> Exposure Time (Y)	0.074	0.066	0.098	0.756	**0.450**
Market Condition (X_4) ->Exposure Time (Y)	0.318	0.306	0.153	2.080	**0.038**

Source: Research Results (2020)

The results show that location of the object has a positive and significant effect on exposure time for liquidation value at the Public Appraisal Service Office in Medan City. Type has a positive and significant effect on exposure time for liquidation value at the Public Appraisal Service Office in Medan City. Function or condition has a positive and not significant effect on exposure time for liquidation value at the Public Appraisal Service Office in Medan City. Market condition has a positive and not significant effect on exposure time for liquidation value at the Public Appraisal Service Office in Medan City.

CONCLUSION AND SUGGESTION

The results show that location of the object has a positive and significant effect on exposure time for liquidation value at the Public Appraisal Service Office in Medan City. Type has a positive and significant effect on exposure time for liquidation value at the Public Appraisal Service Office in Medan City. Function or condition has a positive and not significant effect on exposure time for liquidation value at the Public Appraisal Service Office in Medan City. Market condition has a positive and not significant effect on exposure time for liquidation value at the Public Appraisal Service Office in Medan City.

Based on the results of the research above, the suggestions that can be submitted as researchers are as follows:
1.For appraisers as actors in determining exposure time for liquidation values to be more objective in determining variables that affect asset marketing time factors, specifically

auction assets so that the liquidation value issued is accurate and reflects market conditions when the assessment is carried out.

2. The results of this study are expected to be useful for appraisers, as a reference in determining exposure time, especially the use of variables that are used as indicators to form exposure time for liquidation values.

3. For the government, through the State Property and Auction Service Office (KPKNL) which handles auction assets, it is hoped that they can be more selective in reviewing asset values and become a reference in justifying the auction assets for execution of mortgages to be offered.

4. For further researchers who will conduct research on exposure time in this research area, in order to use variables other than those used in this study, there are about 18.5% of other variables that can still be investigated to complete this research. The variables that can be taken into consideration in determining variables such as land area, building area, environmental conditions and accessibility, and legality.

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