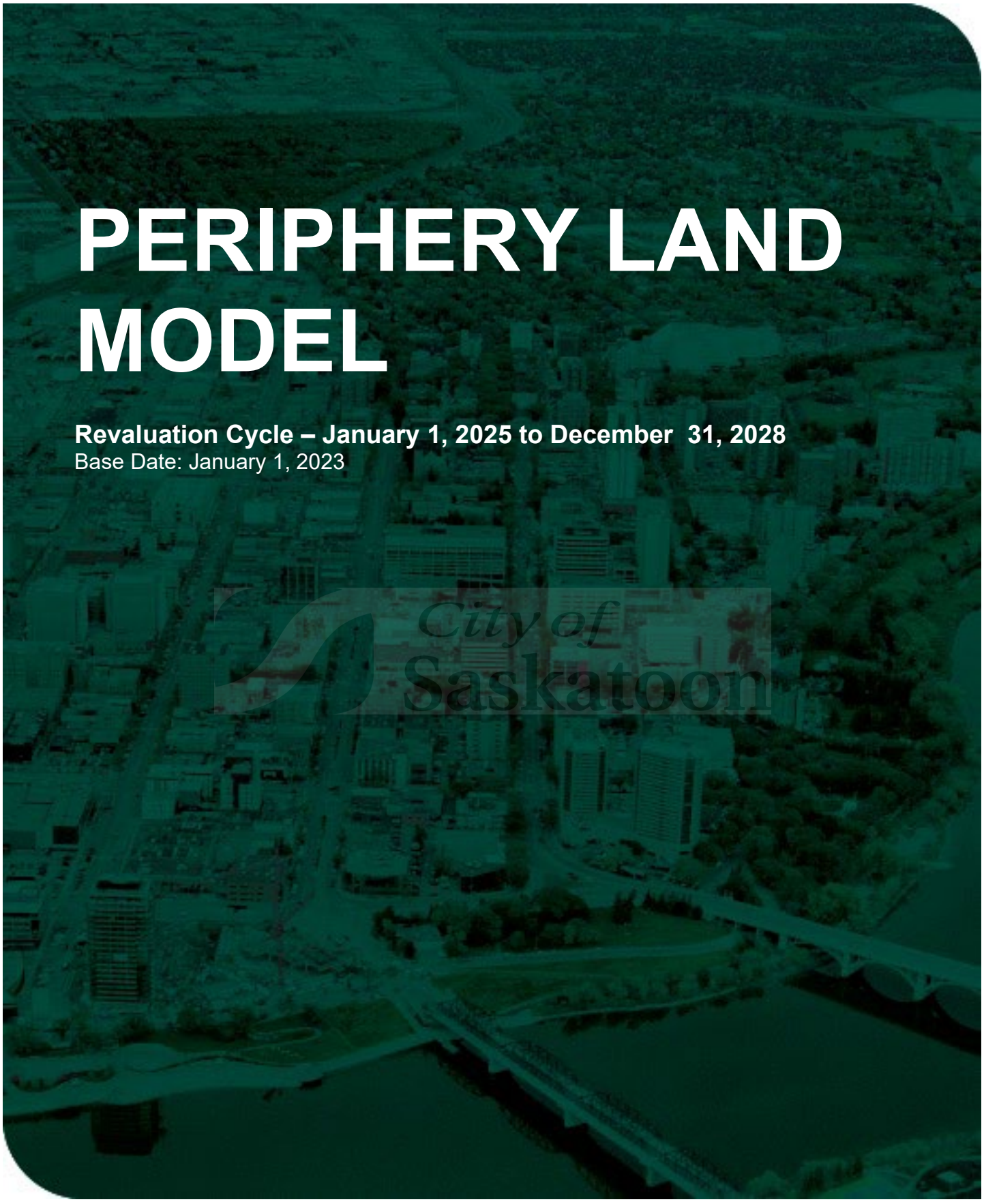

# PERIPHERY LAND MODEL

**Revaluation Cycle – January 1, 2025 to December 31, 2028**
Base Date: January 1, 2023

# PERIPHERY LAND MODEL

## Model Identification

The Periphery Land Model is a direct comparison model that values periphery land properties.

The Periphery Land Model is a city-wide model in application. There are a number of Assessment Office Neighborhoods [AO NBHDs] located throughout the city. These AO NBHDs were grouped into one market area due to the quantity of data available for analysis.

**Revaluation Cycle** – January 1, 2025 to December 31, 2028

**Effective Date of Valuation** – January 1, 2023

**Date of Report** – January 1, 2025

City of Saskatoon

## Model Summary

### Rent Model and Ratio Study

| Market Area | No. of Sales | Base Rate ($/acre) | Standard Parcel Size (acres) | LSM | Median (ASR) |
|---|---|---|---|---|---|
| Citywide | 4 | 29,000 | 10.45 | 147.50% | 1 |

### Sales

| AO NBHD | AO NBHD Name | No. of Sales |
|---|---|---|
| 80002 | Northeast Development Area | 2 |
| 80100 | SW Development Area | 2 |
| **Citywide** | | **4** |

# Scope of Data and Analysis

## Valuation Approach

The valuation method employed for vacant periphery land for the 2025 Reassessment is the direct comparison approach. The direct comparison approach is the primary technique used in land valuation. It is widely used in the appraisal of vacant land.
The process of vacant periphery land valuation begins with the assembly and analysis of vacant periphery land sales. The market data timeframe is January 1, 2019 to December 31, 2022.

The sales of properties with improvements, where the improvements are subsequently removed within one year of the sale date, are considered vacant land sales. The sale prices are adjusted by the value of the demolition permit. Typically, demolition adjustments are relatively minor when compared to the sale price. As such, adjustments have only a minimal effect on a fully adjusted sale price. The periphery land analysis did not have any sales which required an adjustment for improvements.

Sales analysis involved data cleansing to ensure accuracy. Vendors and purchasers were also reviewed to ensure that non-market value sales are removed from the analysis.

The valuation model is developed using the direct comparison method and accounts for characteristics that affect typical value as of January 1, 2023. The only characteristics found to affect value is property type:  Periphery Land and size: >= 10.45 acres.

Subsequent testing of the data did not produce a bias with respect to individual variables.

## Sales

There was a total of four periphery land sales which occurred between 2019 and 2022 that were used in the direct comparison analysis.

| Market Area | Roll Number | Address | Sale Year | Sale Month | AO NBHD | Area (Acres) | Adj SP/acre | Asmt/acre | ASR |
|---|---|---|---|---|---|---|---|---|---|
| Citywide | 395550000 | N/A (Parcel 131711127) | 2019 | 8 | 80100 | 66.74 | 14,609 | 12,020 | 0.82 |
| Citywide | 483900500 | 633101 N/A | 2021 | 5 | 80002 | 80.04 | 9,370 | 11,026 | 1.18 |
| Citywide | 494100100 | 634300 N/A | 2021 | 8 | 80002 | 10.45 | 17,983 | 29,000 | 1.61 |
| Citywide | 425700050 | N/A (Parcel 135805440) | 2022 | 9 | 80100 | 2.00 | 40,000 | 29,000 | 0.72 |

## Sale Stratification

The Assessor grouped city-wide sales into a single locational group. Following location, the Assessor considered time and then size. An adjustment was made for size on properties at and larger than 10.45 acres.

## Ratio Study

In mass appraisal, the most effective means of evaluating the accuracy of appraisals is a ratio study. A ratio study compares the appraised values produced by the valuation models to arm's length sale transactions in the marketplace.

The legislated statistical requirement affecting the assessment of periphery land properties in Saskatchewan is for the median ratio of a city-wide assessment-to-sale ratio study to be within the range of 0.95 to 1.05.

The median assessment-to-sale ratio and Coefficient of Dispersion for this Periphery Land Model is provided below:

| | |
|---|---|
| Number of Sales | 4 |
| Median Assessment to Sale Price Ratio (ASR) | 1.00 |
| Coefficient of Dispersion (COD) | 31.05% |