SPECIAL PURPOSE ASSESSMENT MODEL

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

Base Date: January 1, 2023

City of Saskatoon

SPECIAL PURPOSE ASSESSMENT MODEL

Model Identification

The Special Purpose Model is a cost model that values special purpose properties.

The Special Purpose Model is a city-wide model in application.

There are several Assessment Office Neighborhoods [AO NBHDs] located throughout the city. These are combined into a single city-wide Market Area.

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

Effective Date of Valuation – January 1, 2023

Date of Report – January 1, 2025

Market Adjustment Factor

Market Adjustment Factor	0.45

Ratio Study

Number of Sales	6
Median Assessment to Sale Price Ratio (ASR)	1.30
Coefficient of Dispersion (COD)	66.16%

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Scope of Data and Analysis

Valuation Approach

The valuation methodology employed for special purpose properties is the cost approach. This is primarily due to the fact that these types of properties are rarely leased and, therefore, do not lend themselves well to the income approach. The use of the direct comparison approach is not ideal due to limited sale numbers and the degree of comparability between properties. These conditions result in numerous adjustments which are difficult to compute and support.

The market-adjusted depreciated cost approach method is the chosen method to value these property types. This method of assessing property involves valuing the land based on sales of similar land parcels and adding the market adjusted depreciated replacement cost of the improvements to the land value. Improvements (buildings and other structures) have their replacement cost estimated using the 2022 Marshall and Swift Cost Manual. The replacement cost differs with the type of structure, quality, size, height, etc. Buildings that are not new have depreciation deducted. The amount of depreciation is influenced by the normal life span of the specific building type and each individual building's age and condition. The depreciated cost of the improvements is then added to the value of the land to determine the overall value of the property.

Sale MAF Statistics

Strata	Count	Mean	Median	Minimum	Maximum
30002	1	0.00	0.00	0.00	0.00
30009	1	0.00	0.00	0.00	0.00
30015	1	2.74	2.74	2.74	2.74
30031	1	0.90	0.90	0.90	0.90
30104	1	0.00	0.00	0.00	0.00
30110	1	2.29	2.29	2.29	2.29
Total	6	0.99	0.45	0.00	2.74

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Sales

Each valid sale is analyzed then market groups are defined, and a market adjustment factor is determined for each market segment.

There was a total of six special purpose sales that occurred between 2019 and 2022 that were used in the special purpose analysis. These sales were grouped into a single market area representing special purpose properties city-wide. The sales for the 2025 revaluation cycle did not require a time adjustment.

The median market adjustment factory analysis involved six sales and are detailed in the following table.

Group	Roll	Address	Sale Year	Sale Month	AO NBHD	Land Value	Building Residual	RCNLD	Sale MAF	ASR
1	504819300	1236 20th St W	2020	4	30002	1,721,773	-871,773	1,120,980	0.00	2.62
1	495118900	304 3rd Ave N	2021	5	30009	2,216,228	-836,228	2,665,572	0.00	2.48
1	565000250	160 Cartwright St	2021	6	30104	4,521,618	-1,236,618	2,640,117	0.00	1.74
1	504544190	217 Fairmont Dr	2022	10	30015	821,457	1,553,543	566,037	2.74	0.45
1	514513200	415 Fairmont Dr	2022	10	30031	3,583,811	1,416,189	1,567,111	0.90	0.86
1	525125550	701 1st St E	2022	9	30110	162,897	596,103	260,180	2.29	0.37

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 special purpose 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 Special Purpose Model is provided below:

Number of Sales	6
Median Assessment to Sale Price Ratio (ASR)	1.30
Coefficient of Dispersion (COD)	66.16%

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