

**2013**  
**Assessment Trends**  
**An Initial Report**

**SAMA Annual Meeting**

**April 14, 2011**

# Agenda

- 1. Review of trends for the 2009 Revaluation.**
- 2. Estimated trends for the 2013 Revaluation.**
  - Ø Regulated property**
  - Ø Non-regulated property**
- 3. Questions.**

# Units of Comparison Used in This Presentation

## 1. Assessment shifts.

- ∅ Assessment of the new base date compared to the assessment of the previous base date.

## 2. Market trend estimates.

- ∅ Average sale prices over time.
- ∅ Sale to assessment ratios (SAR) over time.

## 3. Only includes municipalities administered by SAMA.

# Sale To Assessment Ratio (SAR)

$$\text{SAR} = \frac{\text{Sale Price}}{\text{2006 Base Year Assessment}}$$

## Example

Sale Price = \$94,500

2006 Base Year Assessment = \$57,000

$$\text{SAR} = \frac{\$94,500}{\$57,000}$$

$$\text{SAR} = 1.66$$

# 2009 Revaluation

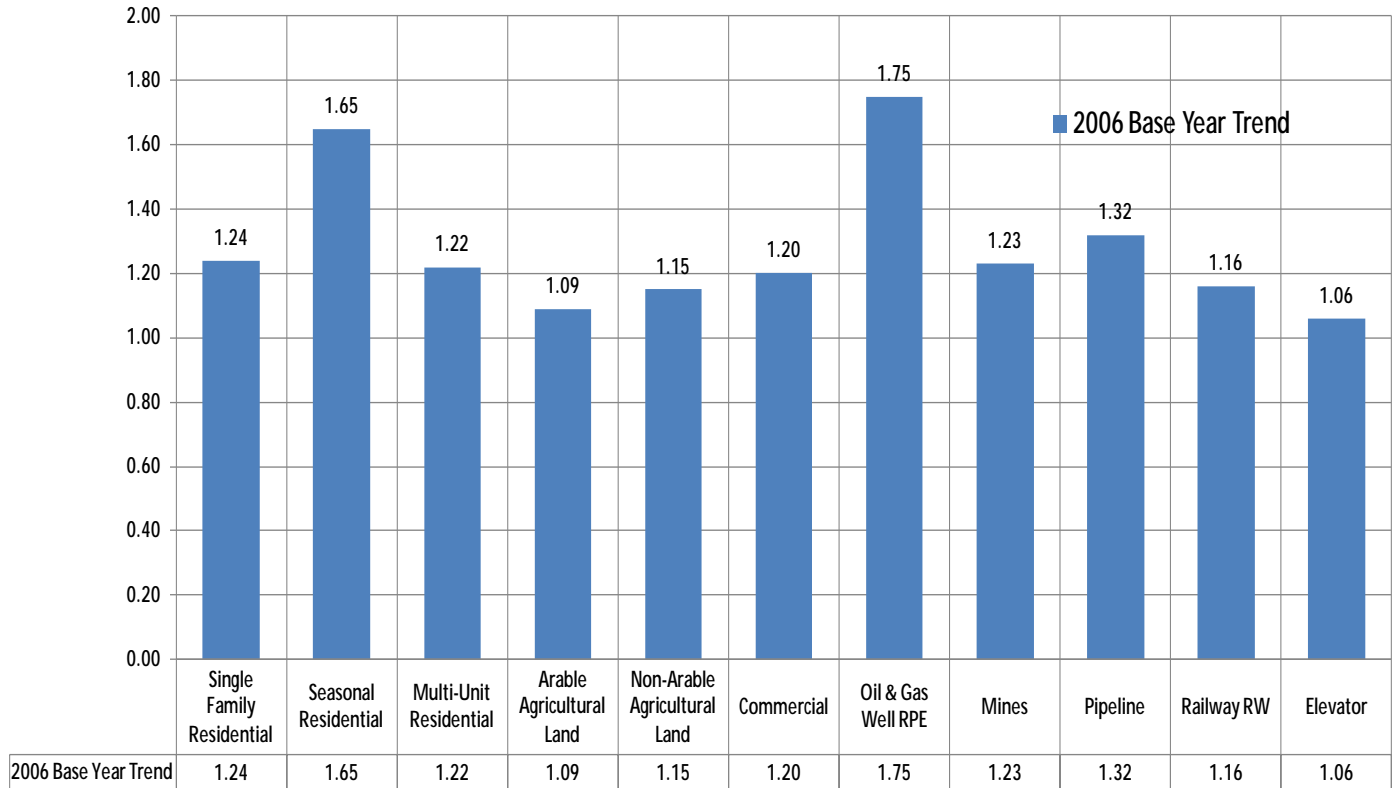
- Ø Assessments updated from a June 30, 2002 base date to a June 30, 2006 base date.
- Ø Assessments in use for 2009 to 2012.
- Ø Implementation of the market valuation standard.

# 2009 Revaluation Assessment Shifts By Property Class (%)

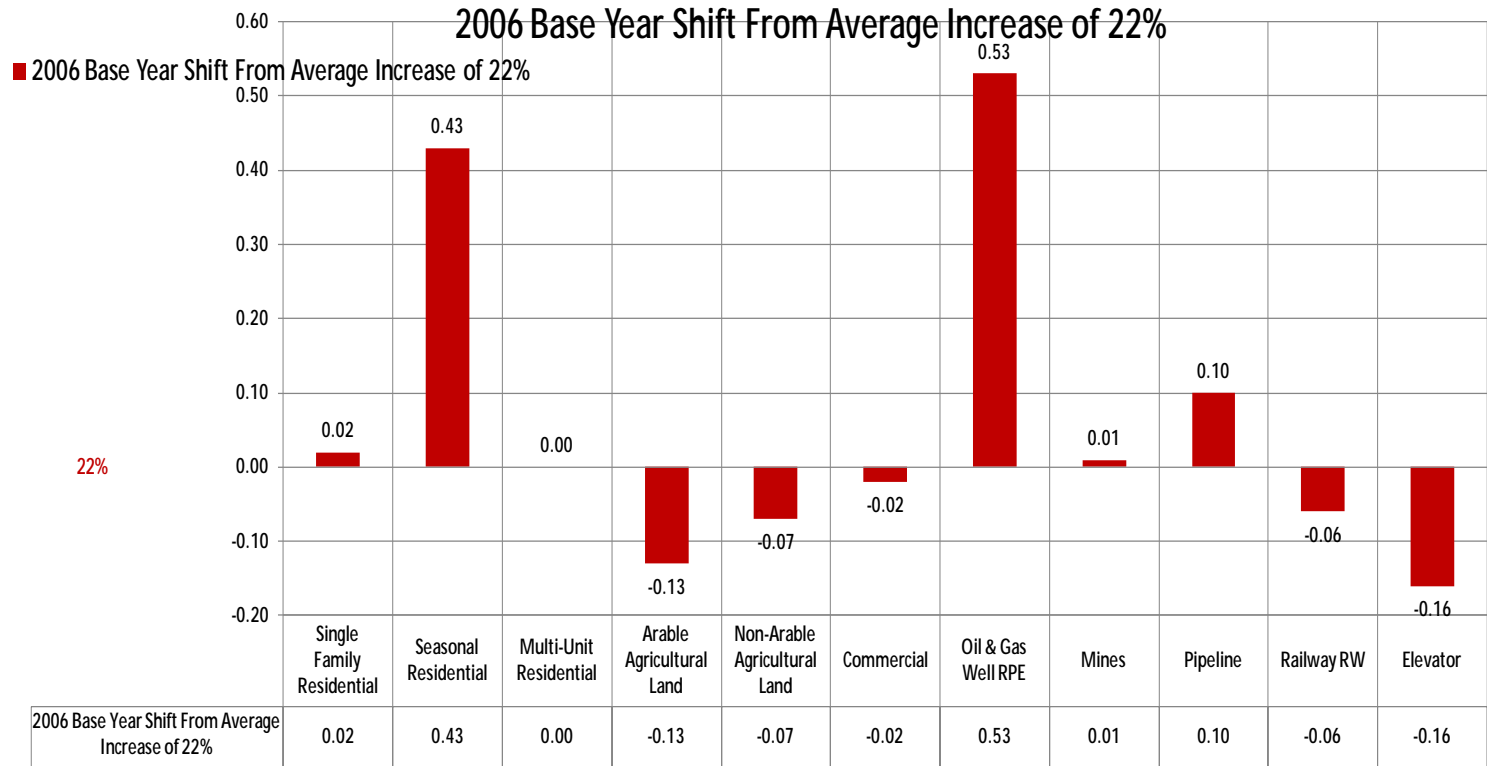
Property Class	Change (%)
Agricultural Land - Arable	9%
Agricultural Land - Non Arable	15%
Residential	24%
Seasonal Residential	65%
Multi-Unit Residential	22%
Commercial	20%
Elevator	6%
Railway Roadway	16%
Pipeline	32%
Mines	23%
Oil & Gas Well Resource Production Equipment	75%
Provincial Average	22%

# 2009 Revaluation Assessment Shifts by Property Class

2002 Base Year to 2006 Base Year Assessment Trend

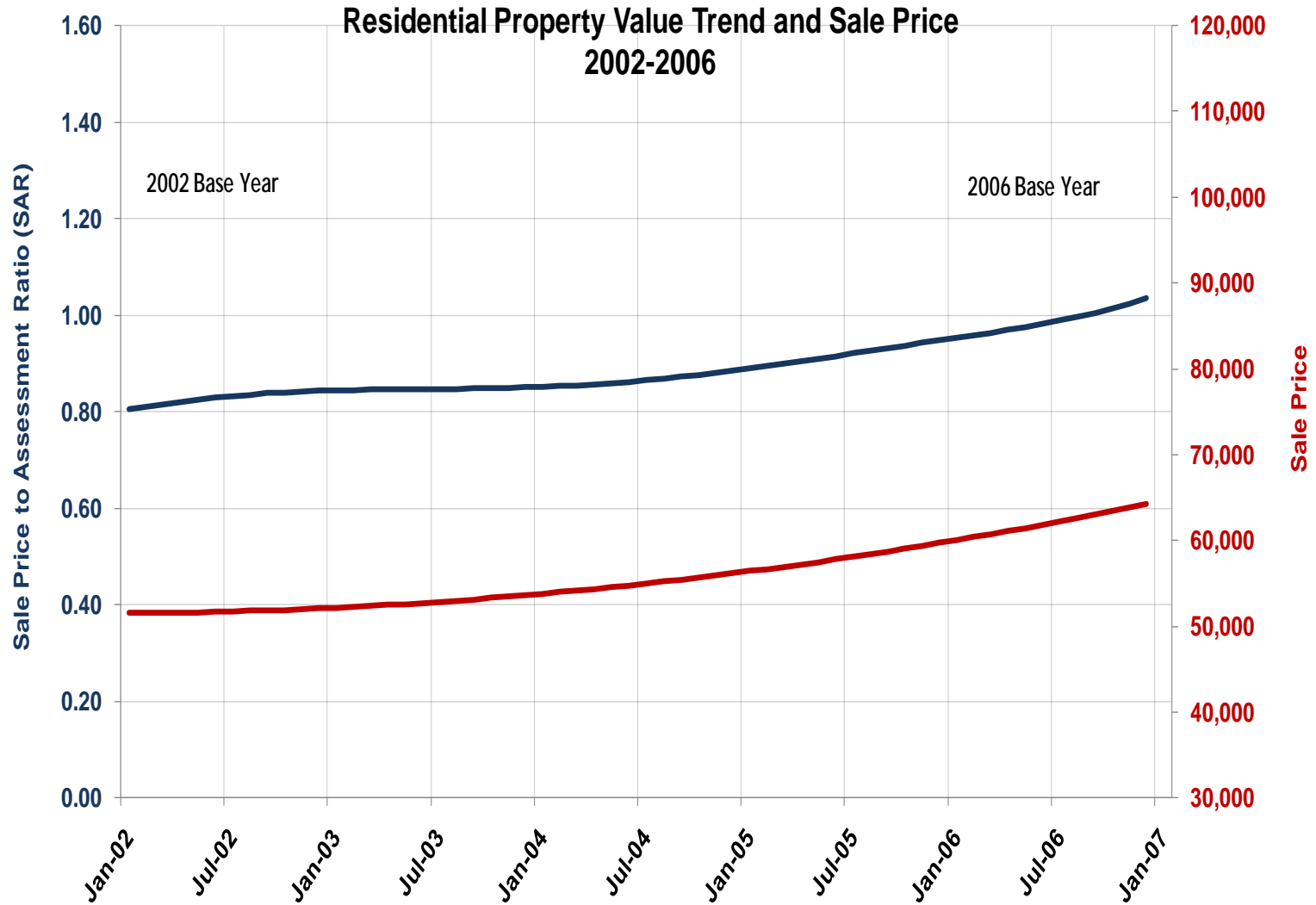


# 2009 Revaluation Assessment Shifts by Property Class: Variance From The Provincial Average Increase (22%)



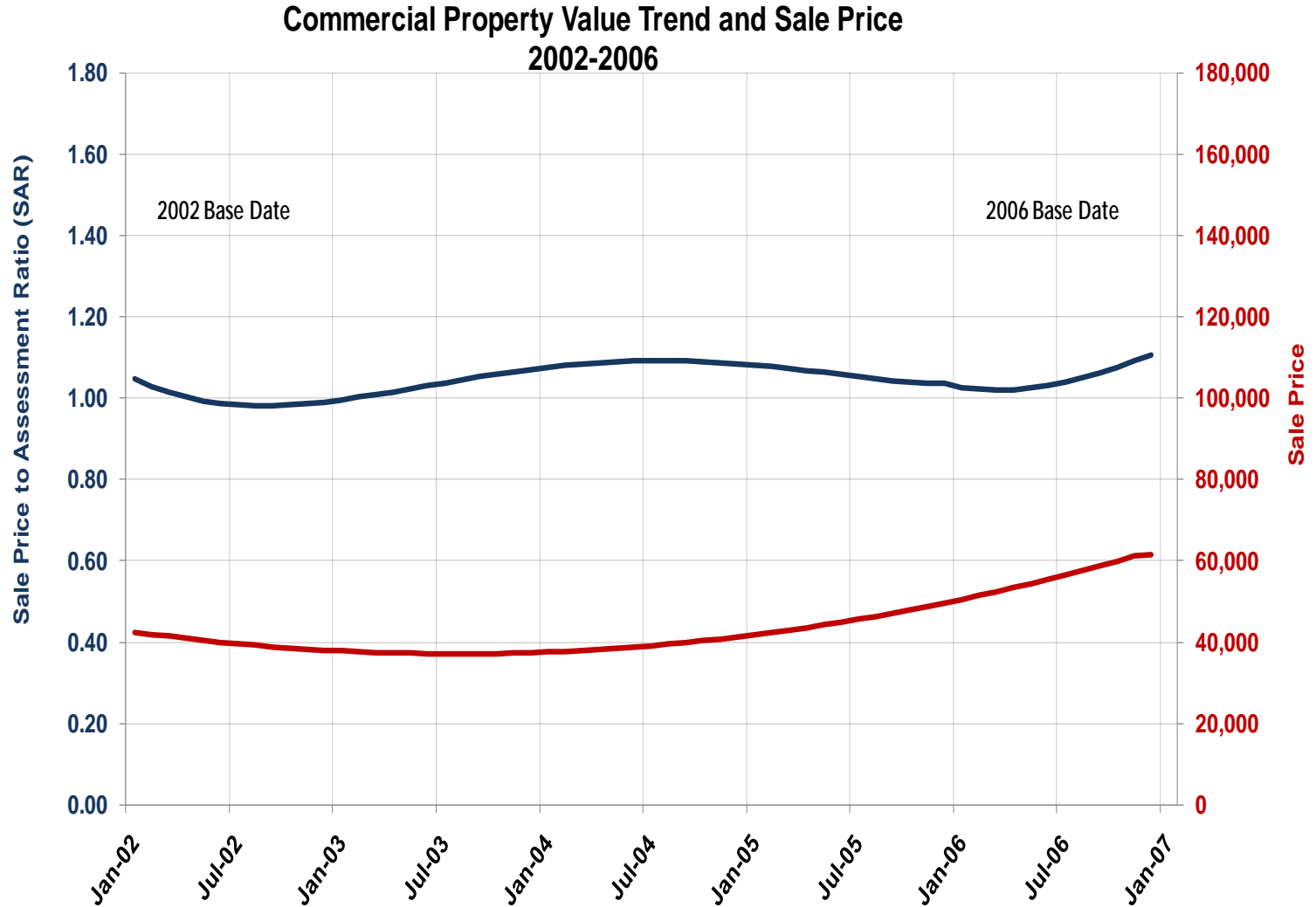
# Residential Sale Price and SAR

## Trend Estimate: 2002 to 2006



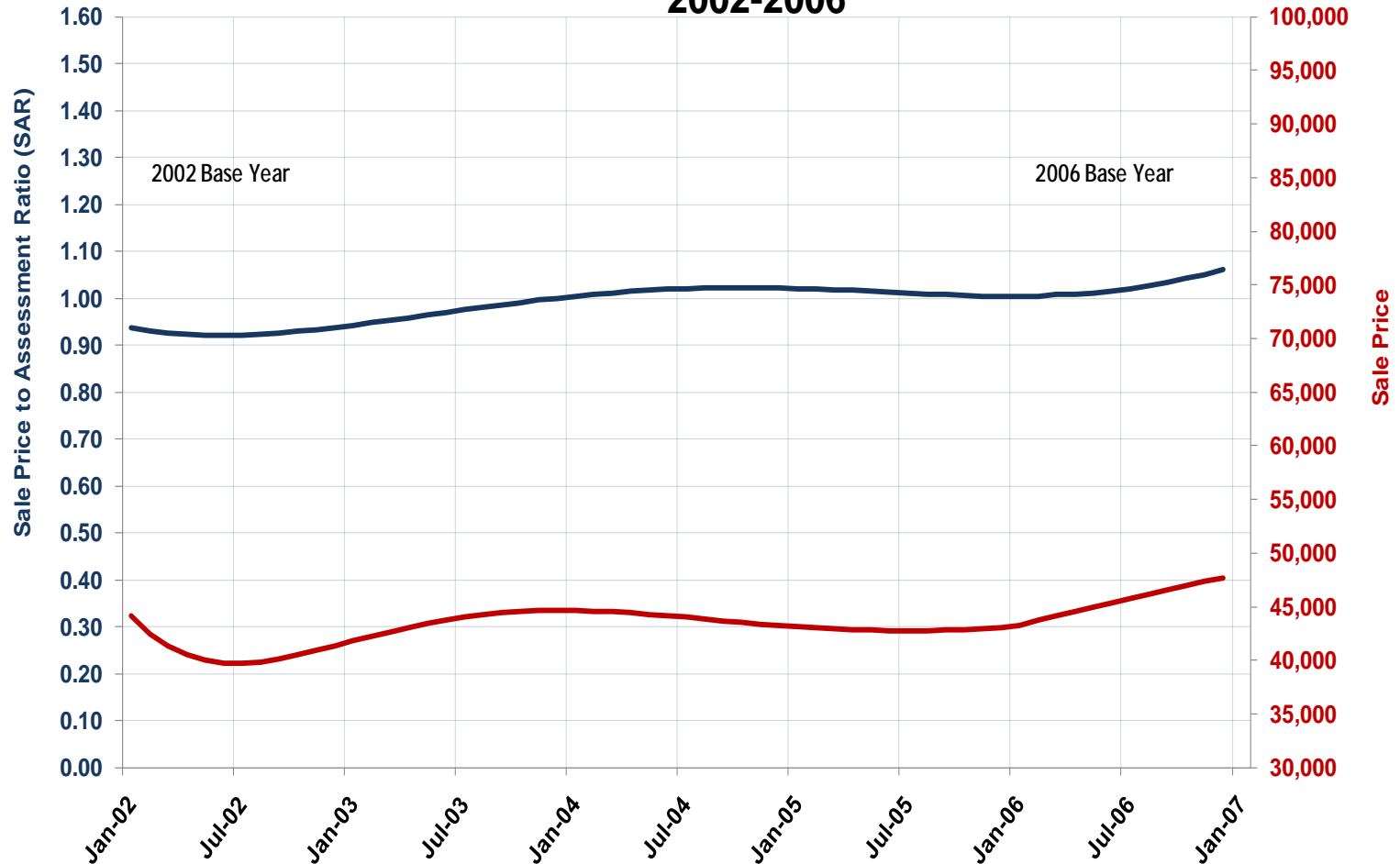
# Commercial Sale Price and SAR

## Trend Estimate: 2002 to 2006



# Agricultural Land Sale Price and SAR Trend Estimate: 2002 to 2006

## Agricultural Land Value Trend and Sale Price 2002-2006



# 2013 Revaluation Trends

- **Regulated Property**

- Ø Agricultural land

- Ø Heavy Industrial Property

- Ø Pipeline

- Ø Railway

- Ø Oil & Gas Resource Production Equip

- Ø Mine Resource Production Equip

# SASKATCHEWAN ASSESSMENT MANUAL

SASKATCHEWAN ASSESSMENT MANUAL  
**2011 BASE YEAR**

**2011 BASE YEAR**

**SAMA**

Saskatchewan Assessment  
Management Agency

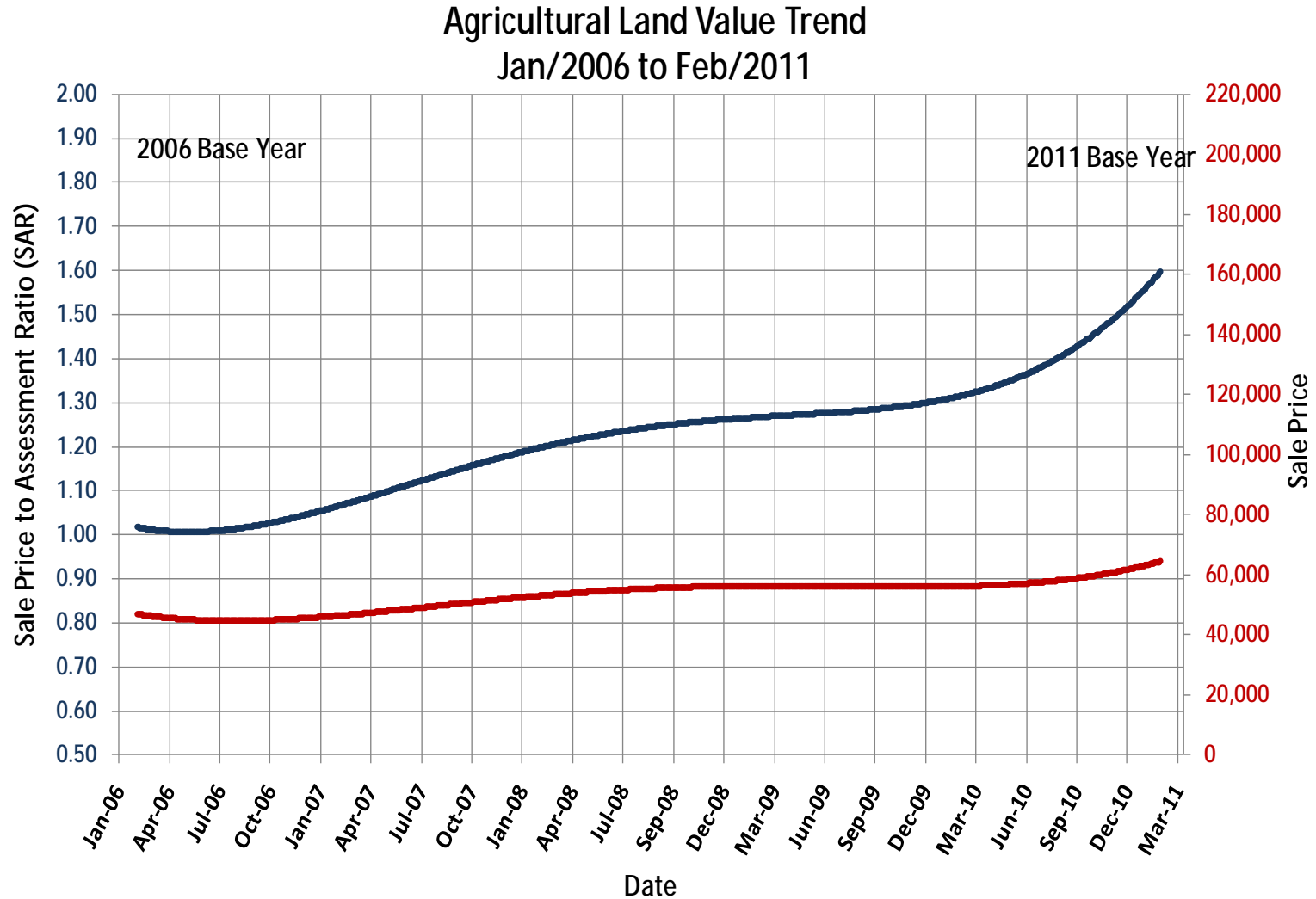


# Regulated Property Value Trends 2006 to 2011 % Change

<b>Regulated Property Value Changes (2006 to 2011)</b>	
<b>Property Type</b>	<b>Change</b>
<b>Agricultural Land</b>	<b>+48%</b>
<b>Railway Roadway<sup>1</sup></b>	<b>+33% (Class 5 +2.5%)</b>
<b>Pipeline<sup>2</sup></b>	<b>+26% to +35%</b>
<b>Heavy Industrial Improvements<sup>3</sup></b>	<b>+15% to +25%</b>
<b>Heavy Industrial Land</b>	<b>+40% to +60%</b>
<b>Mine Resource Production Equipment</b>	<b>+14% to +16%</b>
<b>Oil &amp; Gas Well Resource Production Equipment<sup>4</sup></b>	<b>11%</b>
<b>1 Class 5 Railway Road way is the lowest classification based on salvage value</b>	
<b>2 Larger diameter piplines increased 26% and smaller diameter pipelines increased 35%</b>	
<b>3 The range in value is the result of application of the Saskatchewan Cost Factor</b>	

# Ag Land Sale Price and SAR

## Trend Estimate: 2006 to 2011



# 2013 Revaluation Trends

- Non-regulated property
  - Ø Residential
  - Ø Commercial
- Cost Approach – rate increases.
- Sale price and SAR trends.

# 2013 Revaluation Trends

## Cost Approach - Rate Increases

Ø General Residential: 50%

Ø Commercial

- General commercial: 15 to 25%

- Grain elevators

  - High throughput: 55%

  - Cribs: 15%

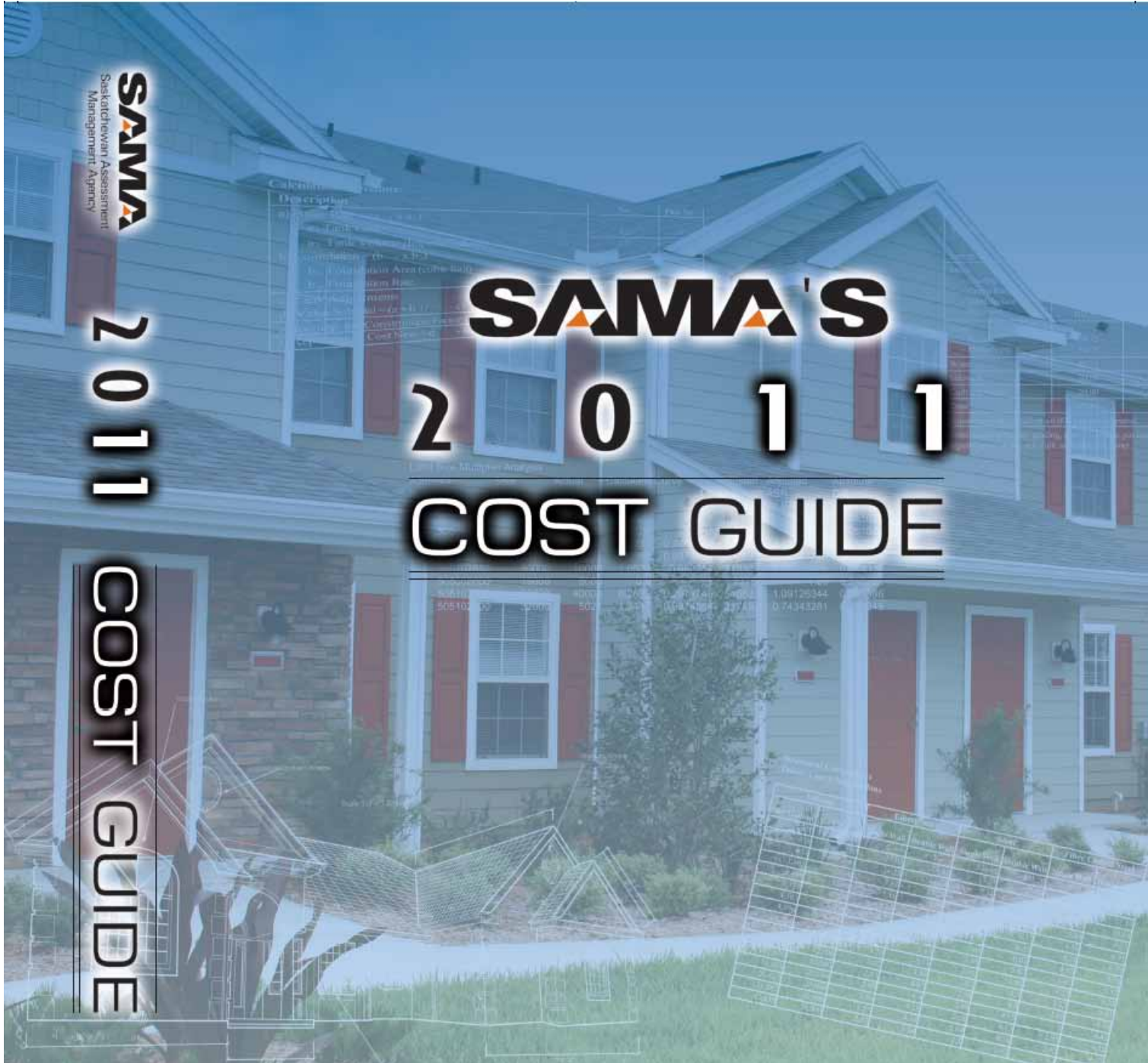
- Golf course development costs: 16%

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**2011**

**COST GUIDE**

# **SAMA'S** **2011** **COST GUIDE**



# Trend Estimates Methodology

## Sales Data Criteria

- ∅ Improved properties only
- ∅ Jan 1, 2006 to Feb 28, 2011
- ∅ Arms length & unverified
- ∅ Non-arms length excluded
- ∅ SAR between 0.25 and 5.0

# Sale To Assessment Ratio (SAR)

$$\text{SAR} = \frac{\text{Sale Price}}{\text{2006 Base Year Assessment}}$$

## Example

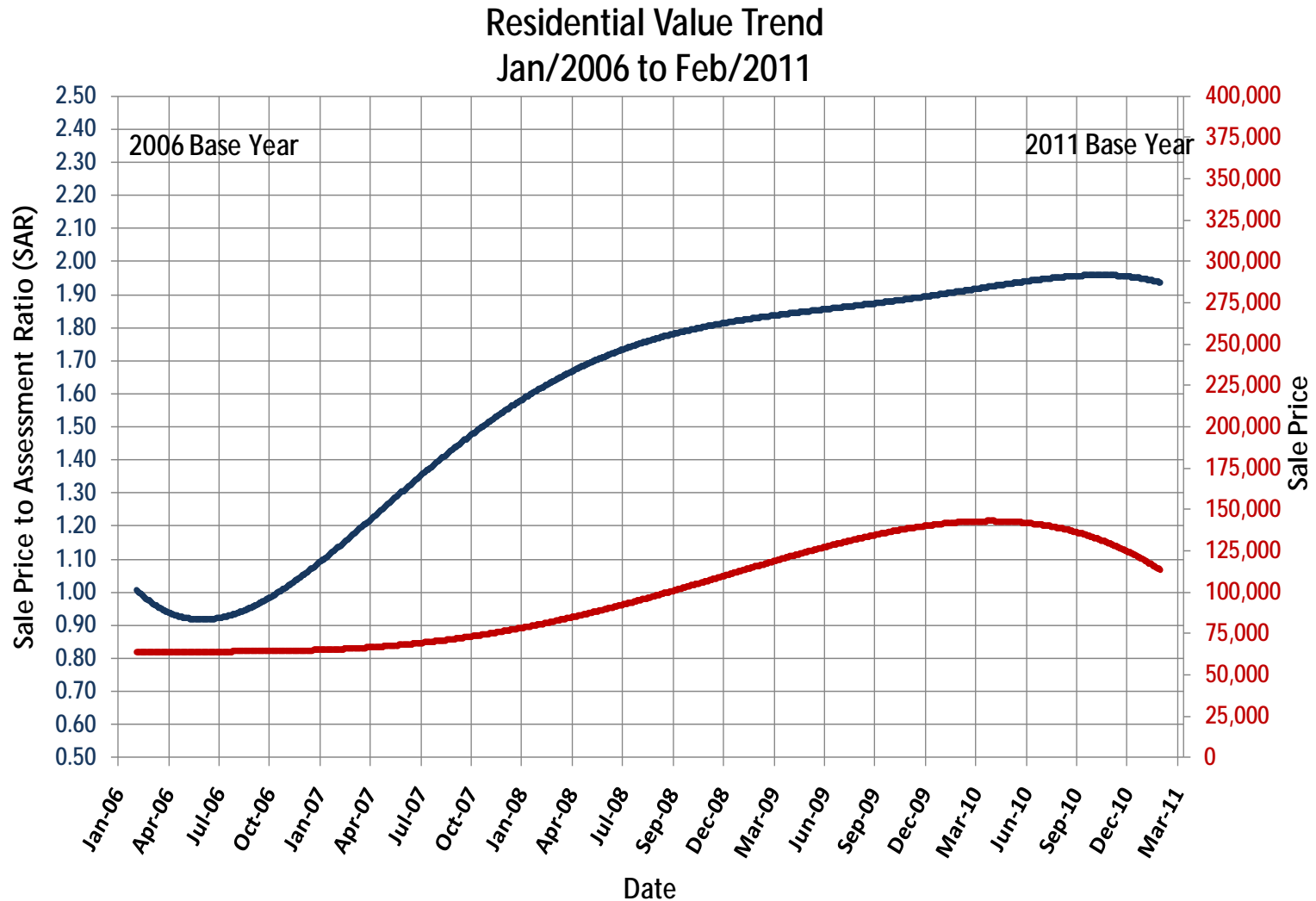
Sale Price = \$94,500

2006 Base Year Assessment = \$57,000

$$\text{SAR} = \frac{\$94,500}{\$57,000}$$

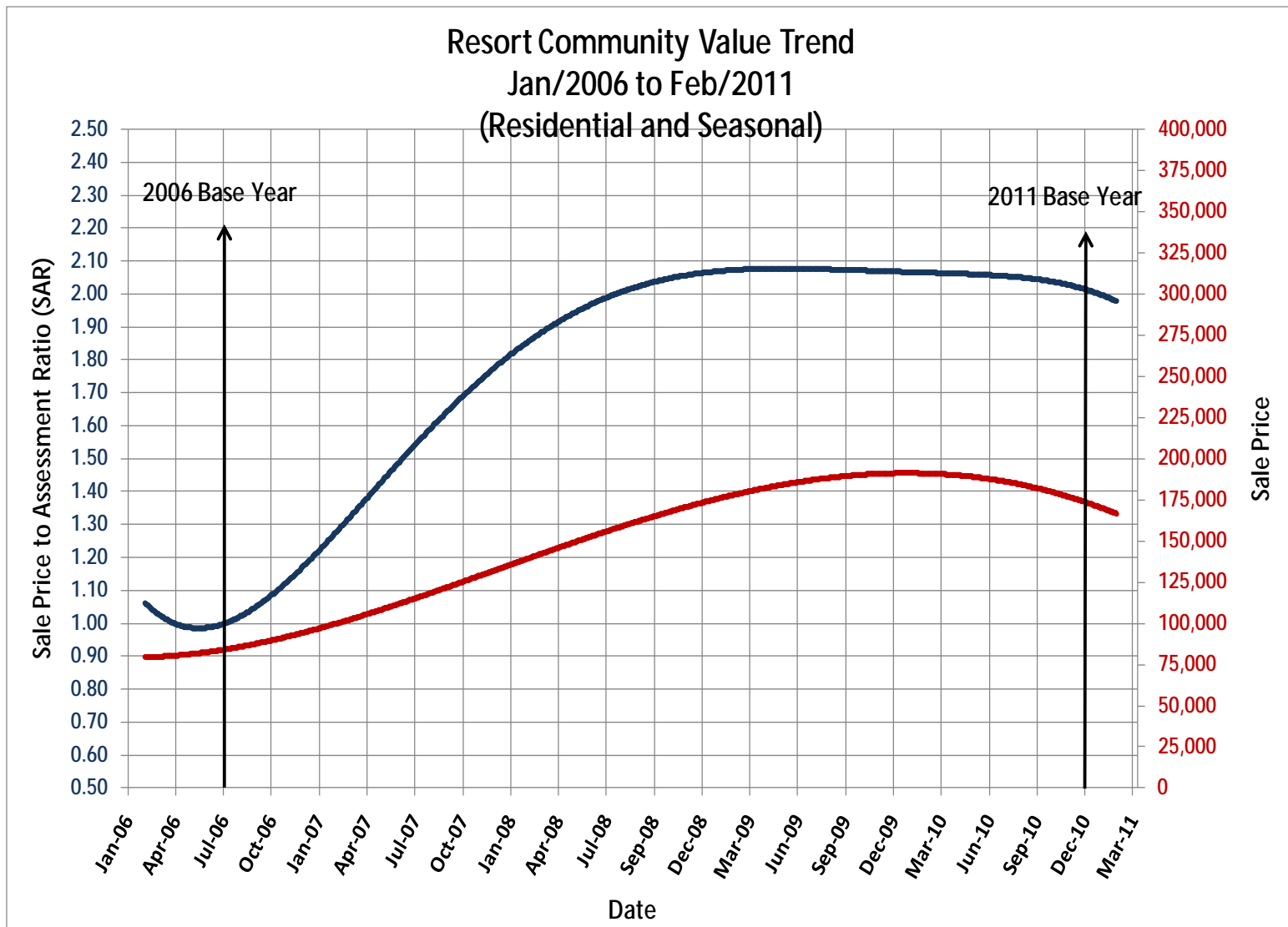
$$\text{SAR} = 1.66$$

# Residential Sale Price and SAR Trend Estimate: 2006 to 2011



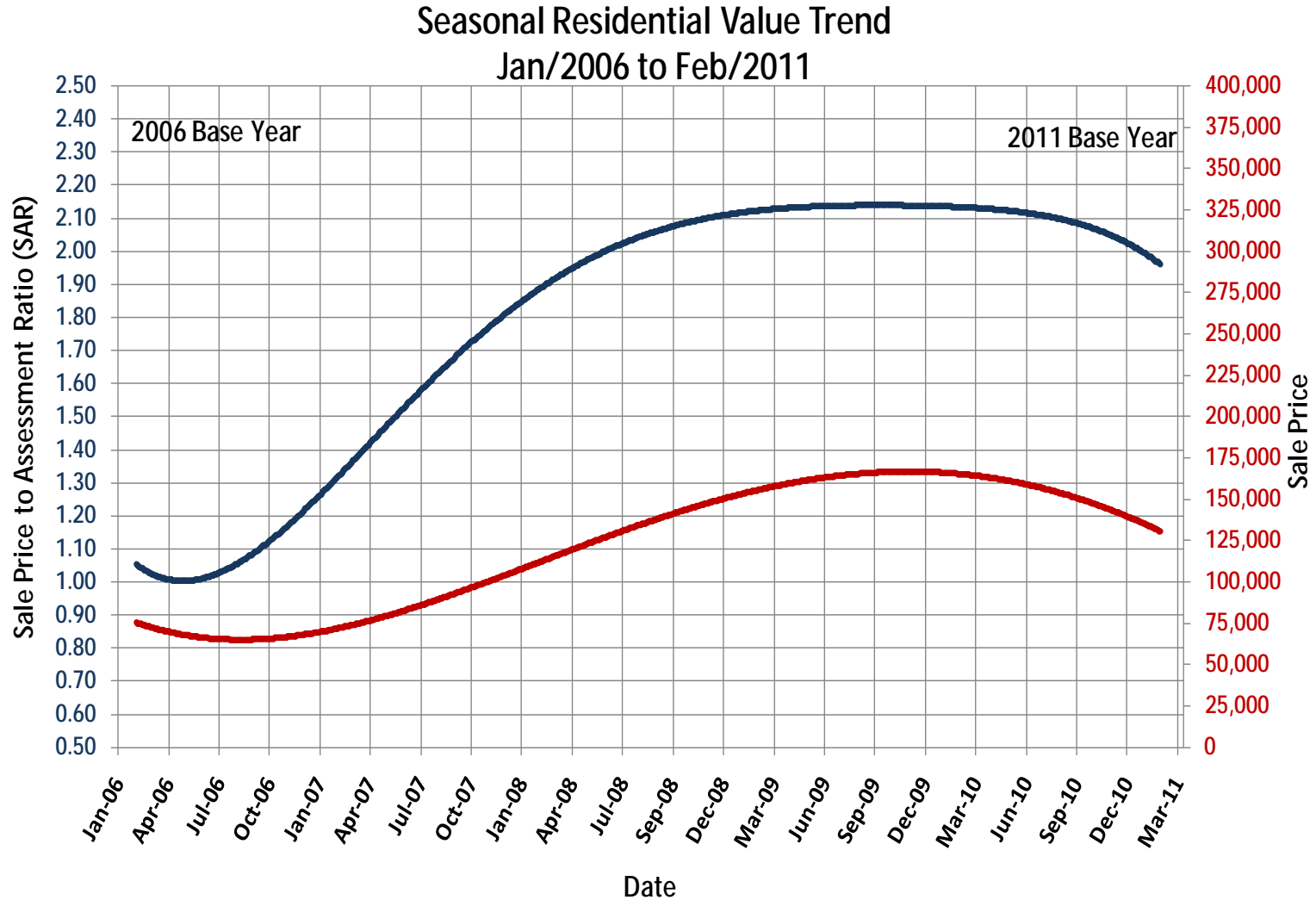
# Resort Community Sale Price and SAR

## Trend Estimate: 2006 to 2011



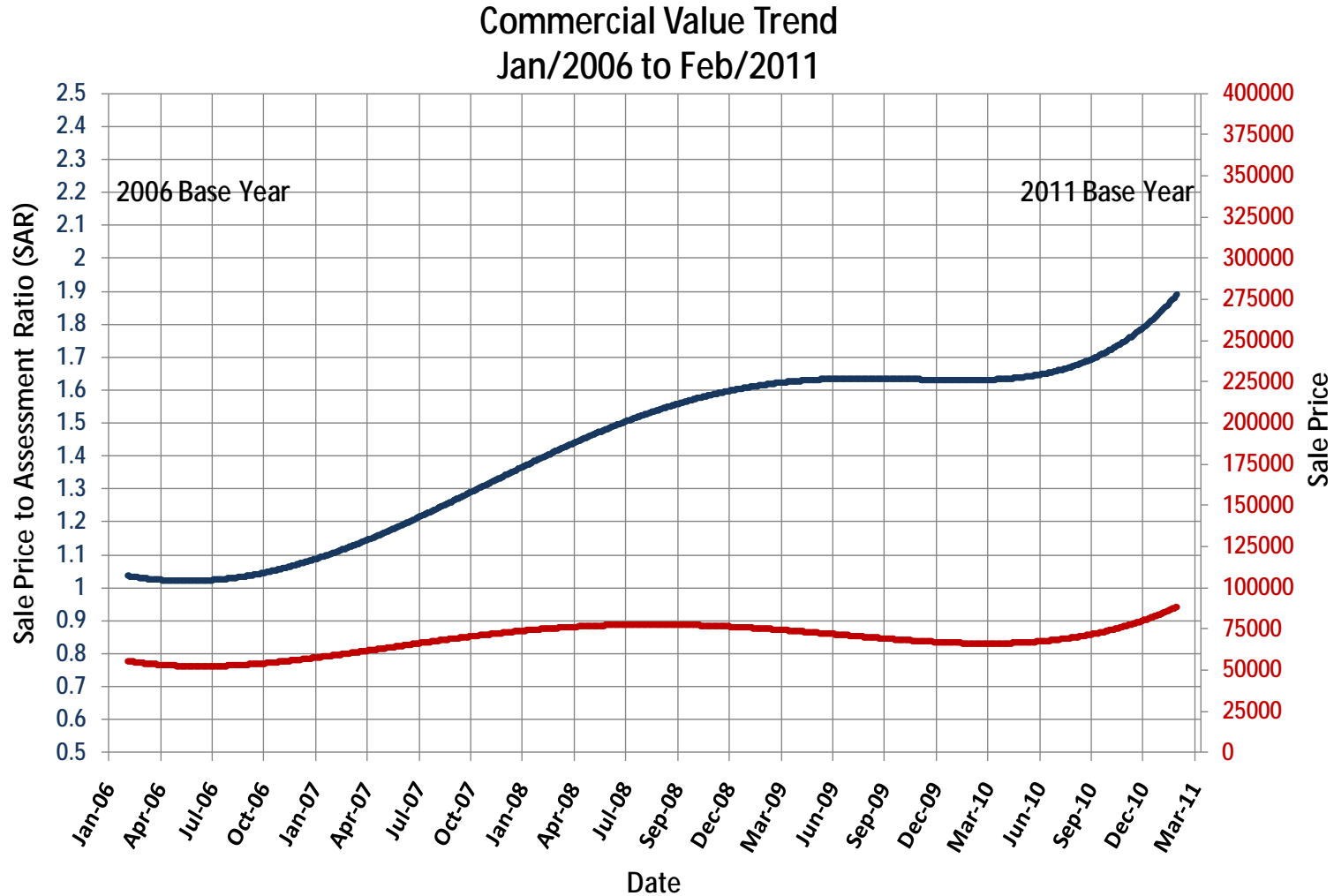
# Seasonal Class Sale Price and SAR

## Trend Estimate: 2006 to 2011



# Commercial Sale Price and SAR Trend

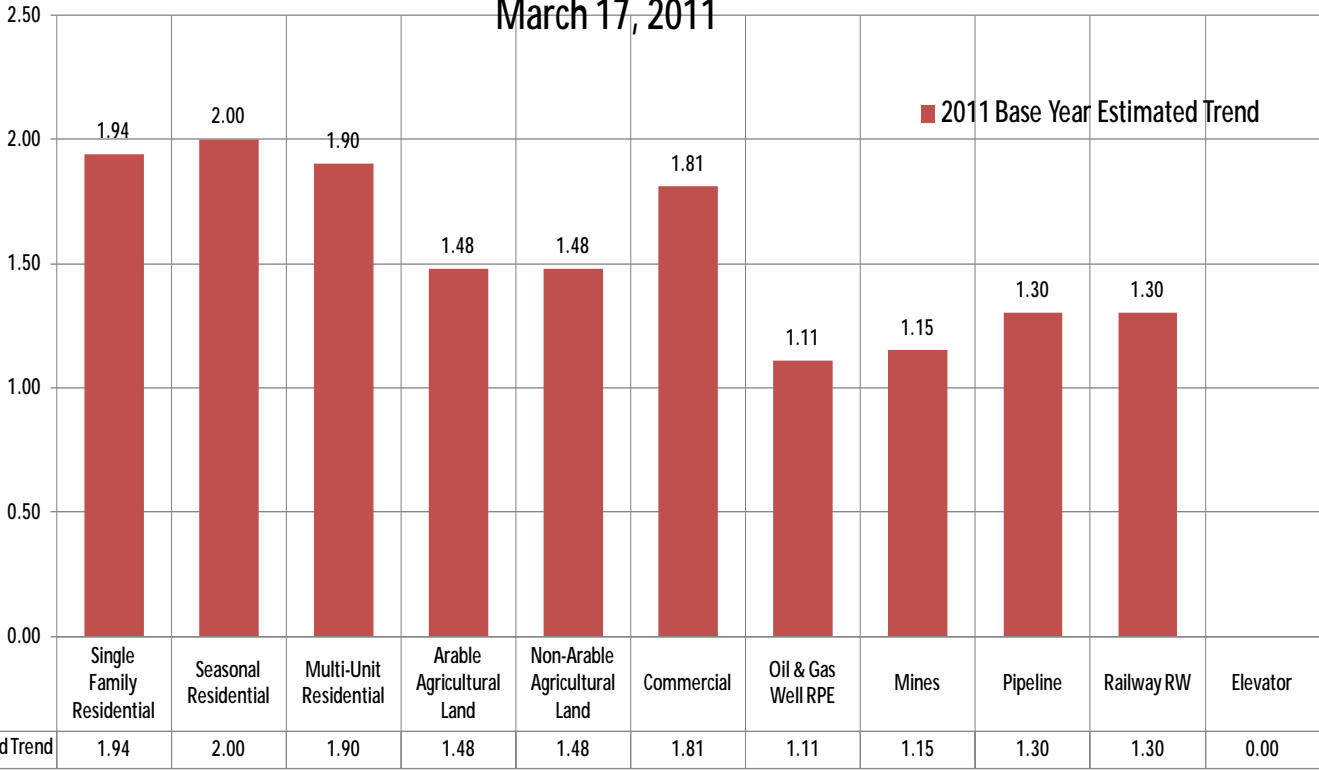
## Estimate: 2006 to 2011



# Predicted 2013 Revaluation Assessment Trends By Property Class

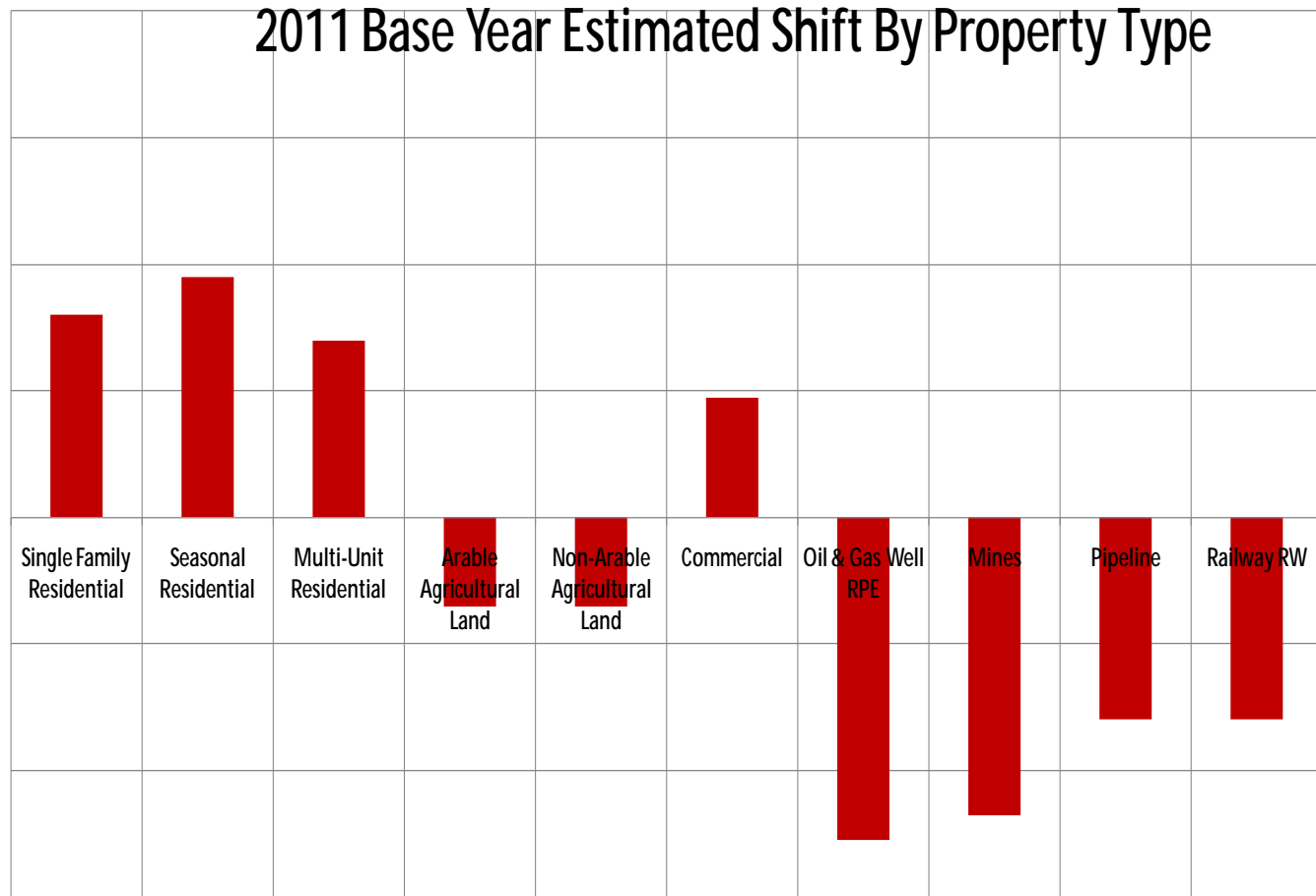
2006 Base Year Trend to 2011 Base Year Estimated Trend

March 17, 2011

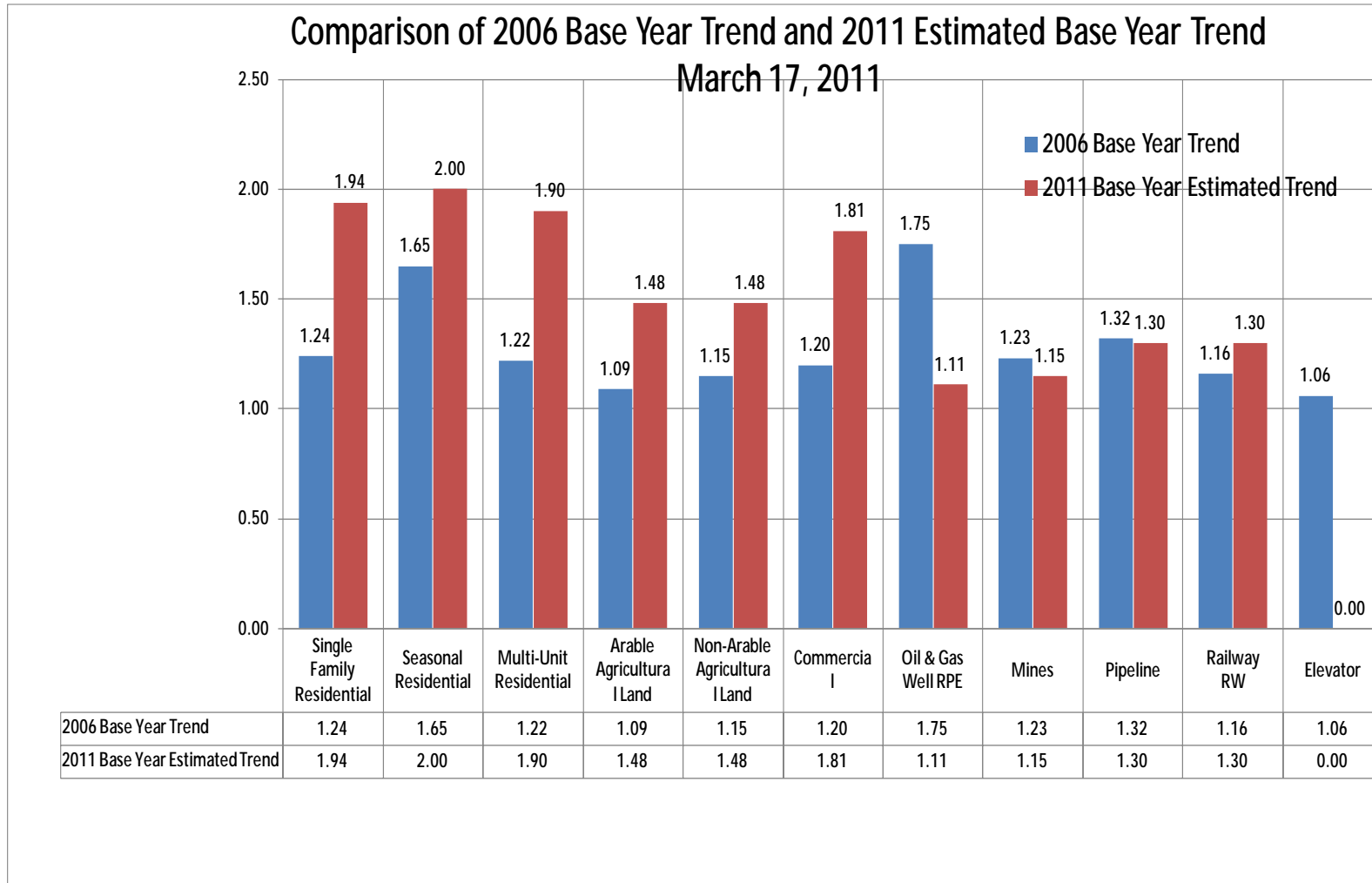


2011 Base Year Estimated Trend

# Predicted 2013 Revaluation Assessment Trends by Property Class: Variance From Provincial Average Increase



# Comparison of 2009 and Predicted 2013 Assessment Trends

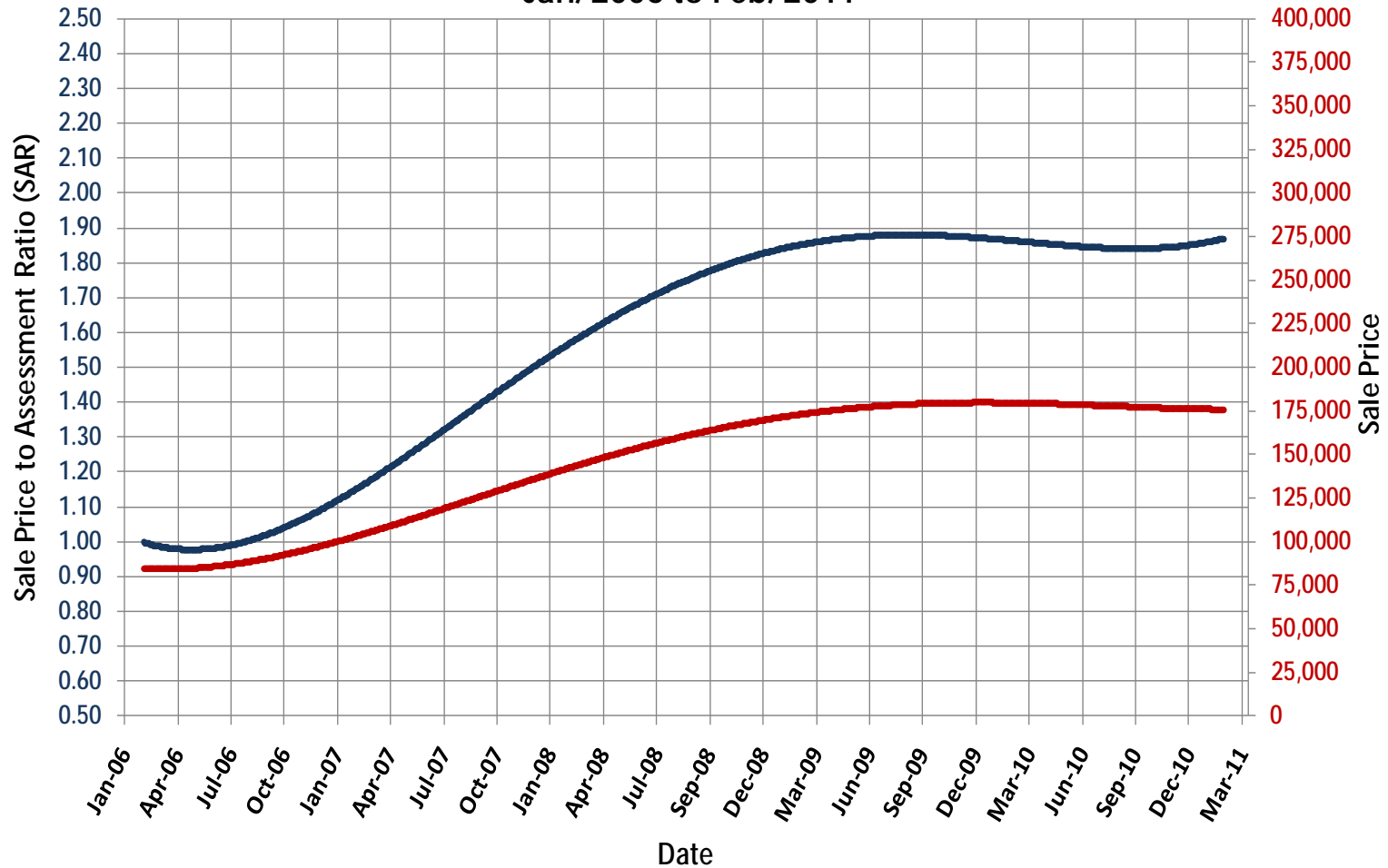


# SAMA 2011 Annual Meeting

Questions/Discussion

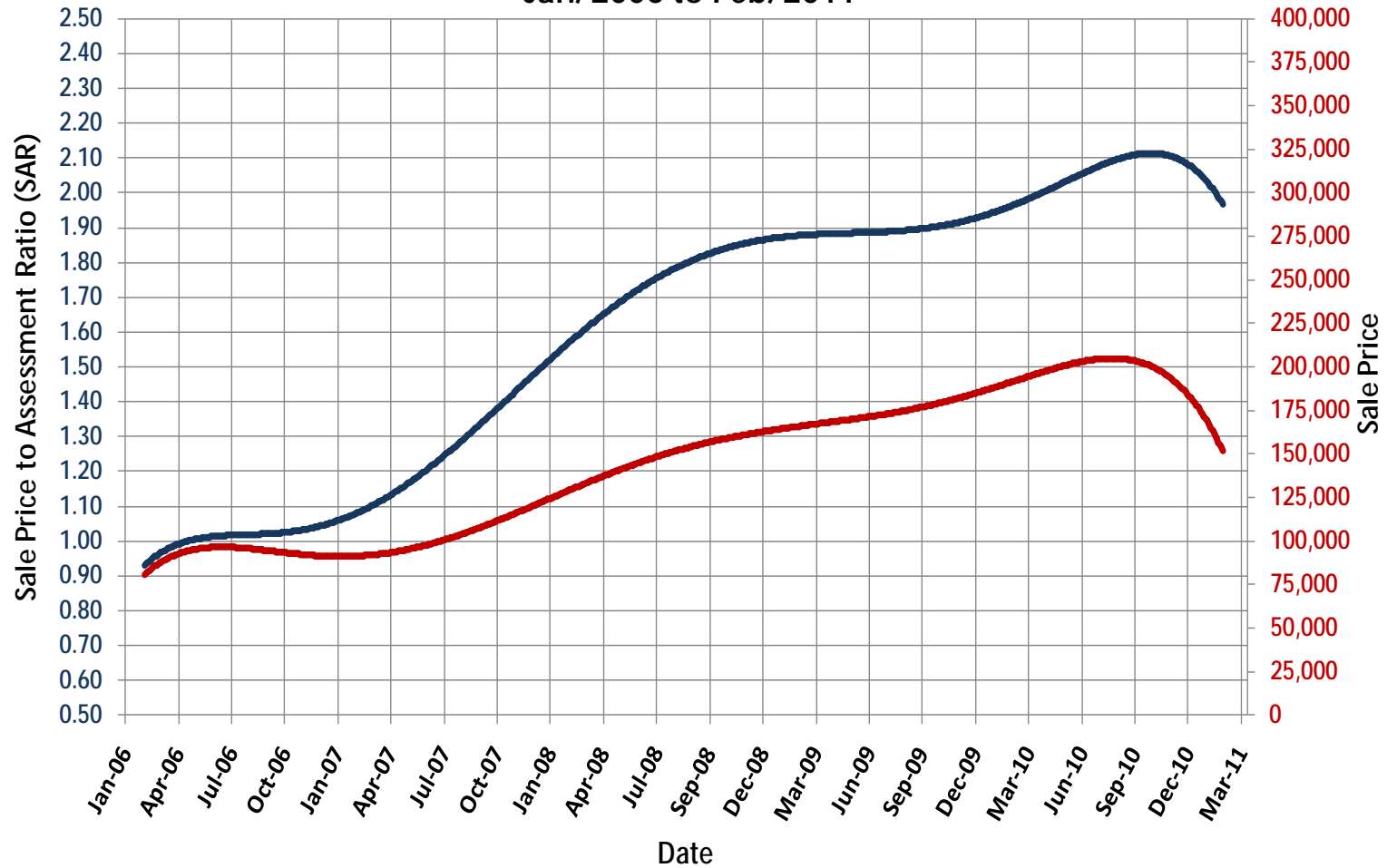
# Mid Size Cities - Estimate

Mid Size City Residential Value Change  
Jan/2006 to Feb/2011



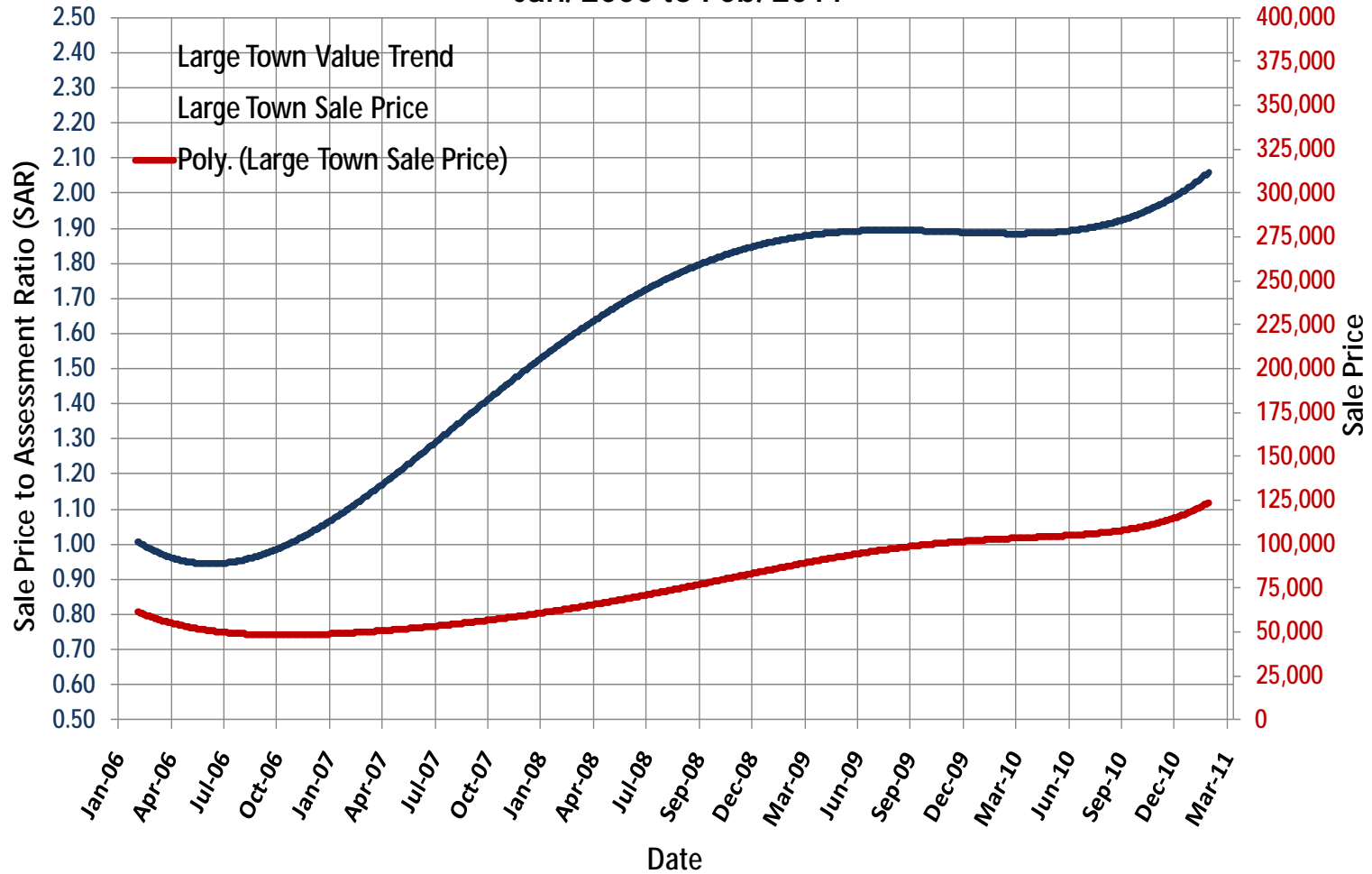
# Small Cities - Estimate

Small City Residential Value Change  
Jan/2006 to Feb/2011



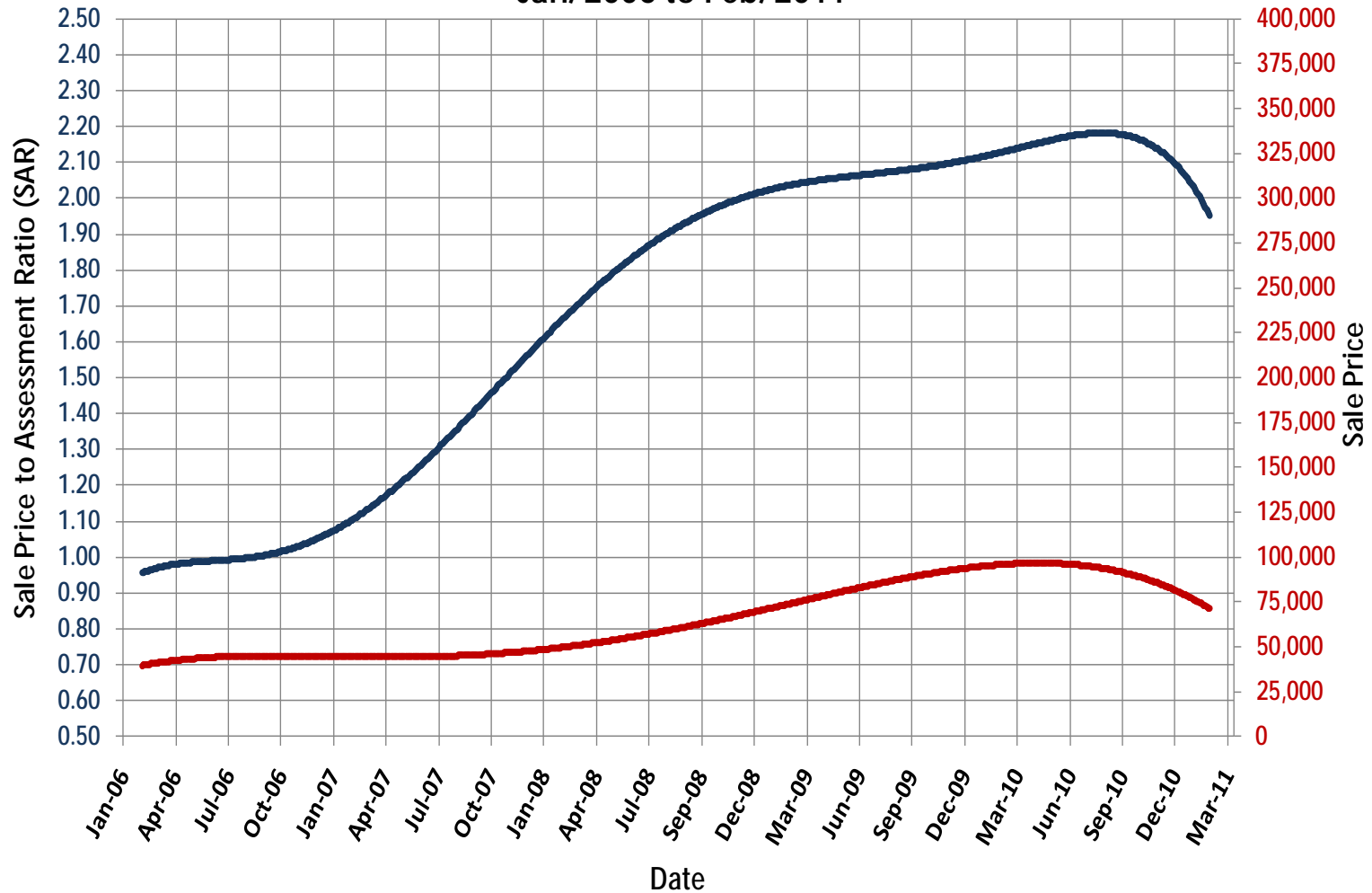
# Large Towns - Estimate

Large Town Residential Value Change  
Jan/2006 to Feb/2011



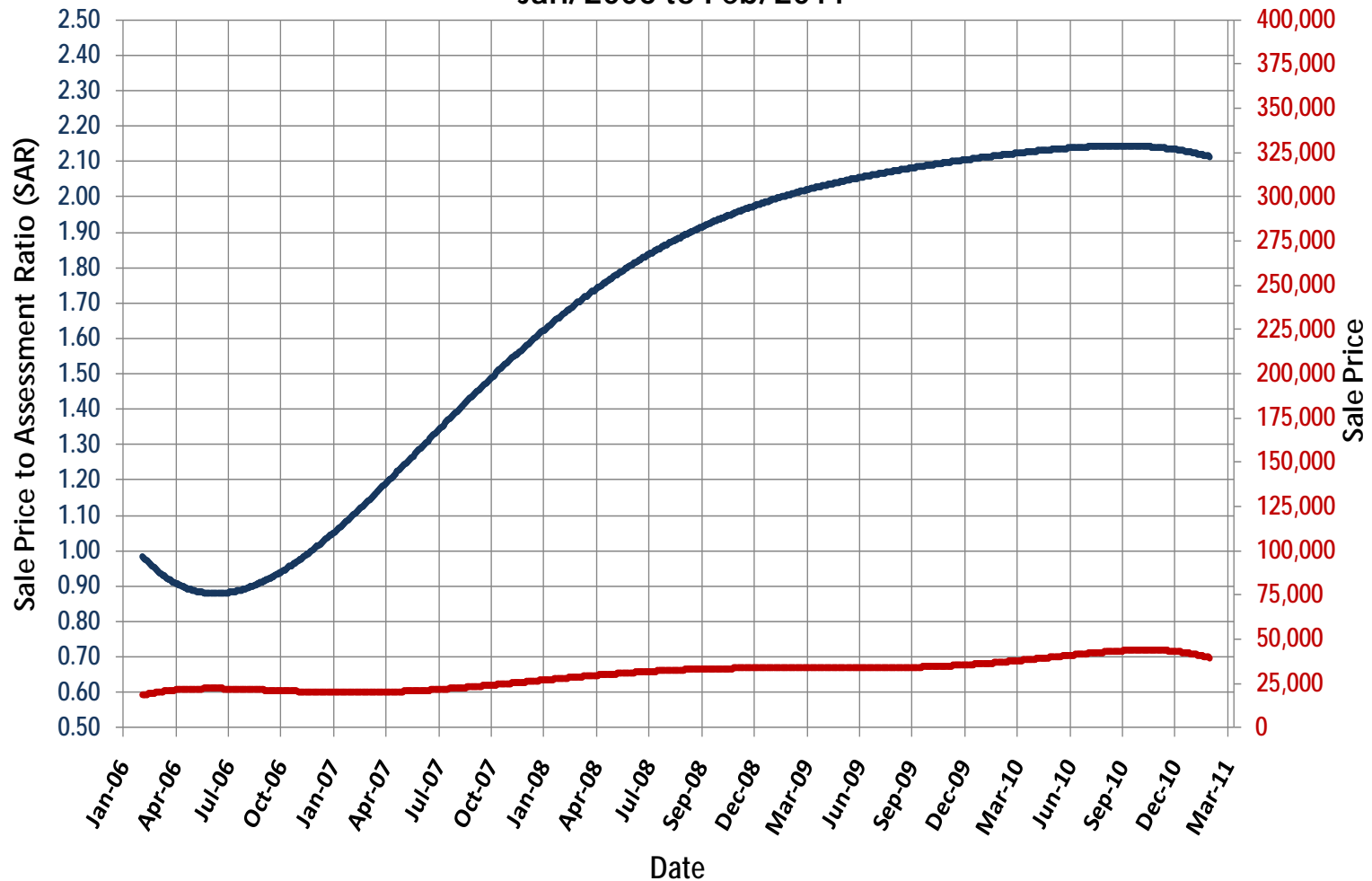
# Mid Size Towns & Large Villages - Estimate

Mid Size Towns & Large Villages Residential Value Change  
Jan/2006 to Feb/2011



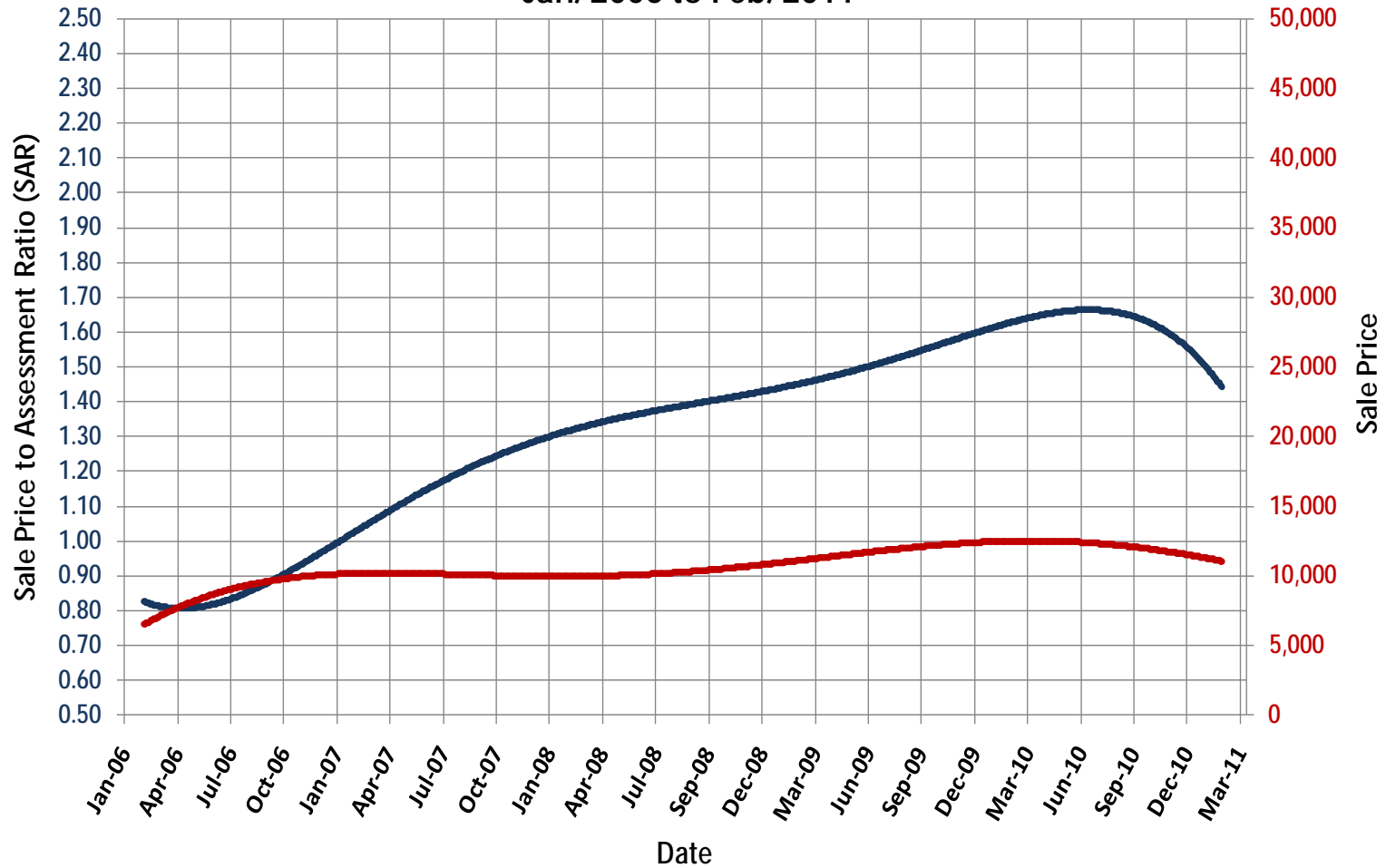
# Mid Size Villages & Large Hamlets - Estimate

Mid Size Villages & Large Hamlets Residential Value Change  
Jan/2006 to Feb/2011

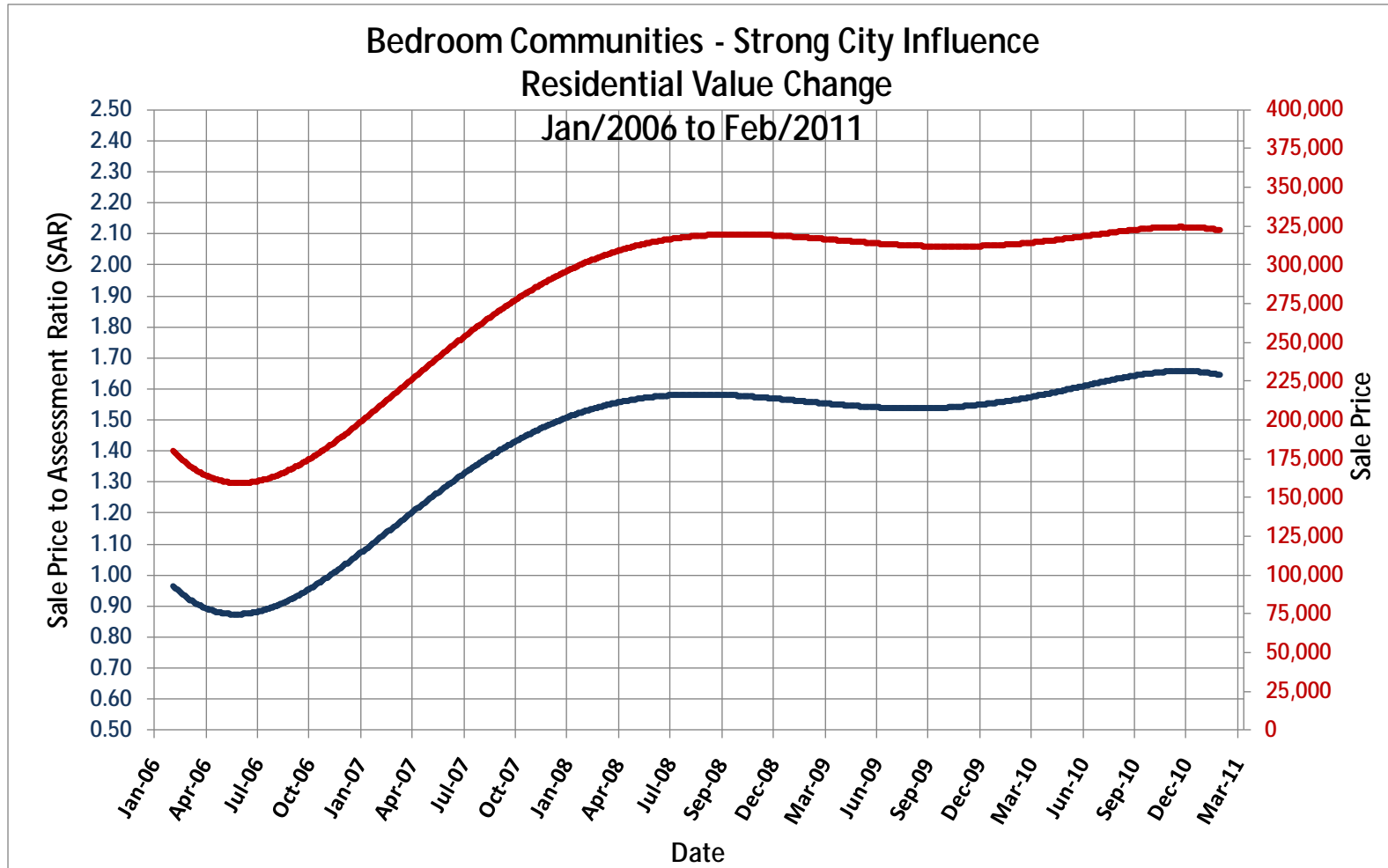


# Small Villages & Hamlets - Estimate

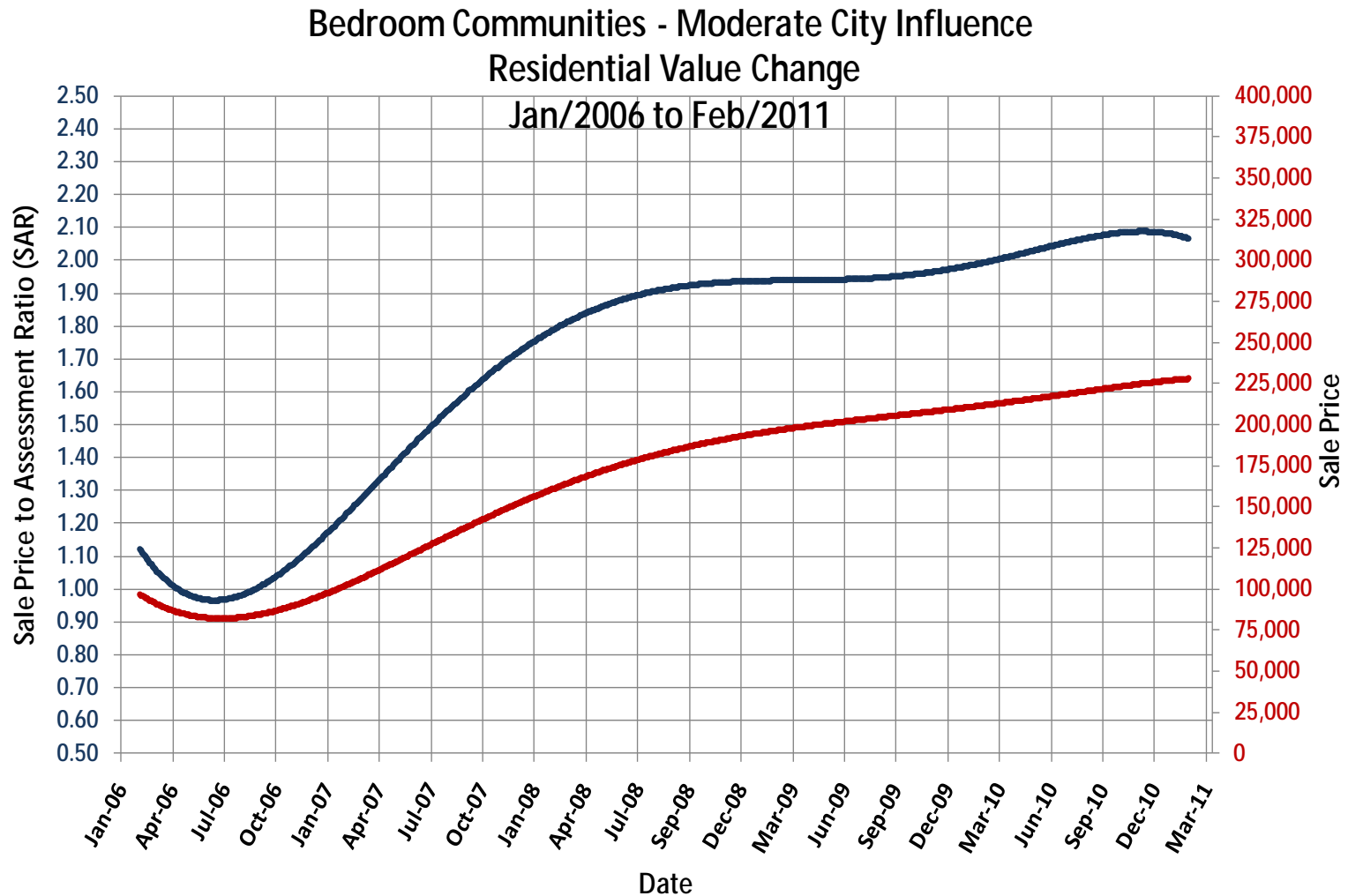
Small Villages & Hamlets Residential Value Change  
Jan/2006 to Feb/2011



# Bedroom Communities Strong City Influence - Estimate

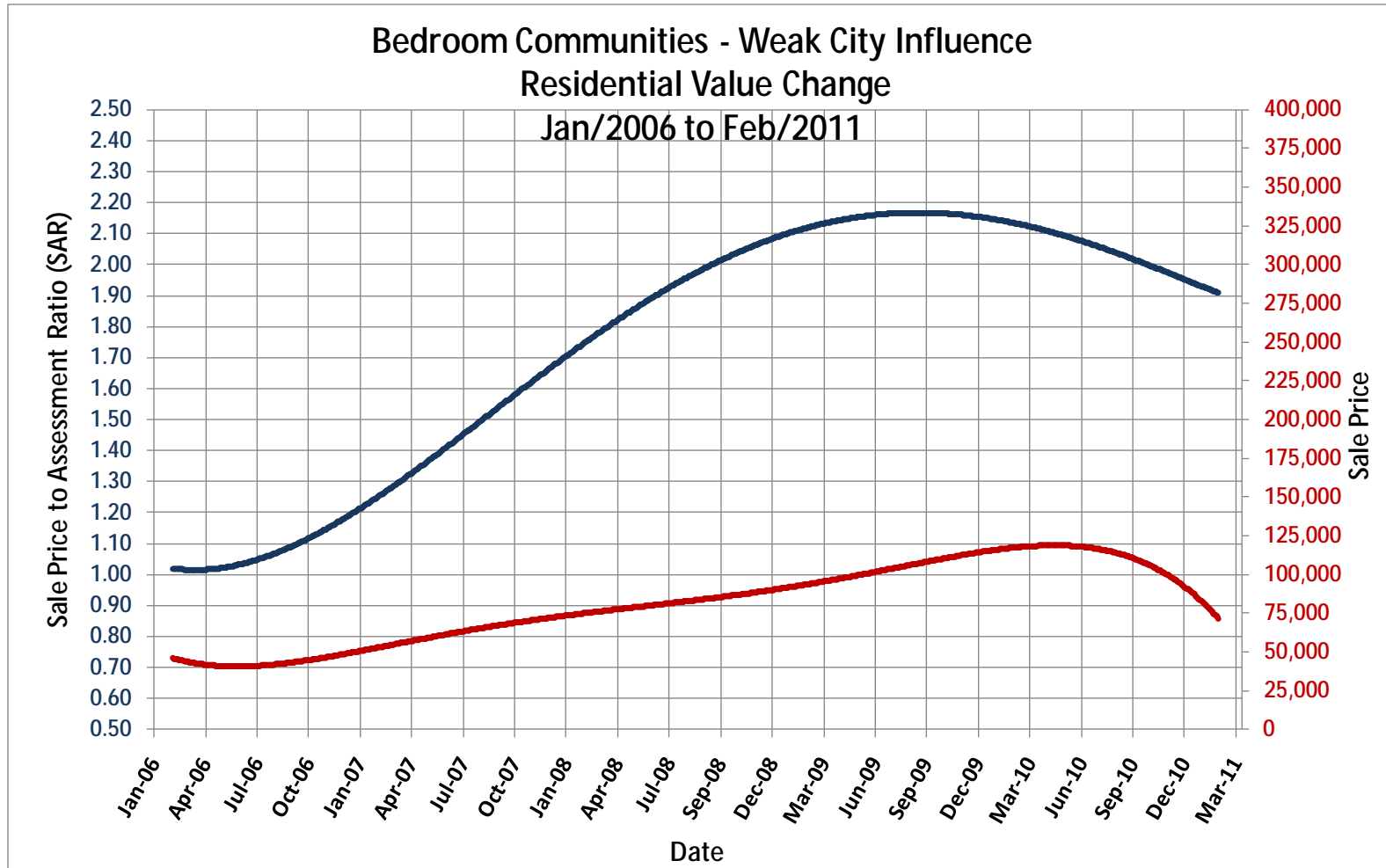


# Bedroom Communities Moderate City Influence - Estimate



# Bedroom Communities

## Weak City Influence - Estimate



# SAMA 2011 Annual Meeting

Questions/Discussion