

Fairhaven Sales Review

ISSUE

The Reassessment Cycle in Saskatchewan is legislated to occur every four years, with the current cycle covering 2025-2028 and having a base date of January 1, 2023. Given that the Emergency Wellness Centre in Fairhaven opened in November of 2022, sales data following the opening of the shelter was limited and would not have had an impact on the most recent valuation.

The 2029 reassessment, which will have a base date of January 1, 2027, will be fully reflective of property values after the enhanced emergency shelter opened.

This report provides information on sales data that has occurred between the legislated base date of January 1, 2023, and December 31, 2024.

BACKGROUND

The Standing Policy Committee on Finance, at its meeting held on [February 5, 2025](#), resolved that the following motion arising was passed:

“Whereas the 2025 Reassessment has a base date of January 1, 2023;
And whereas any potential reduction in property values due to the shelter in Fairhaven which opened in late fall of 2022 will not be accounted for in the 2025 Reassessment;
Therefore, I move that the Administration report back by May 7, 2025, on this issue including implications and options for how property tax could be adjusted in this area.”

CURRENT STATUS

Legislation prohibits the use of sales data or market information that occurred after January 1st, 2023, to be used for property assessment in the current Reassessment Cycle; however, as per Section 262 (3) and (4) of *The Cities Act*, City Council can exempt or abate any property from taxation in whole or in part annually or for up to five years.

The City of Saskatoon (City) has exemption and abatement programs that have an application and approval process, programs include the Vacant Land Adaptive Reuse, Economic Incentives, and Affordable Housing programs. There are currently no exemption or abatement agreements that involve adjusting for market trends that have occurred after an assessment base date.

Properties located in Fairhaven, as every other neighborhood, are valued using mass appraisal with a base date of January 1, 2023. Single family homes in Fairhaven have an average assessed value of \$302,700 compared to the city-wide single-family

average of \$399,000, meaning on average, properties in Fairhaven pay less property tax than the average single-family home in Saskatoon.

DISCUSSION/ANALYSIS

Current Assessment Process

Legislation allows for the City Assessor to use professional judgement as to what characteristics and market trends have impact on value, including individual characteristics such as size, quality, and condition as well as macro factors such as market area, proximity to commercial or multi family buildings, and even high crime rates. As markets change, Administration will be monitoring new trends to ensure it is able to measure any impacts these factors may have on values for future reassessments.

While the City Assessor develops models and assessments using their professional judgement, these assumptions and models must also be supported by sales data. As such, sales data showing a decrease in value is needed and must be statistically proven to make any adjustments to assessed values. Currently, an analysis of the sales data which has occurred post base date is not showing an overall decrease for Fairhaven properties, as further outlined in the following section of this report. As per typical practice for all neighbourhoods, sales data will continue to be monitored prior to the 2029 reassessment base date of January 1, 2027.

Fairhaven Sales Review

Administration reviewed sales which occurred in Fairhaven between January 1, 2023, and December 31, 2024. This included sending sales verification letters to property owners who have purchased homes and reviewing online sales information to ensure the sales were arm's length and characteristics were accurate.

In total, 92 single family sales and seven Duplex sales occurred in that time frame. After review of sales, 13 were rejected due to the sale involving related parties or irregular financing (bank or estate sales). Rejections of these types are a normal part of the City's sales data analysis. The remaining 86 sales are listed in Appendix 1 and mapped in Appendix 2.

Appendix 1 shows that 66 of the 86 sales sold for higher than their current assessment and 20 of the 86 sales sold below their current assessment. The average difference in sale price to assessment is -\$18,100, meaning on average, the sale price of a property within Fairhaven was \$18,100 higher than its assessed value. Overall, properties in Fairhaven are selling for 5% more than their current assessment, which if market trends continue to 2027, will be reflected in the 2029 reassessment.

Appendix 2 is a map that illustrates the proximity a sold property has compared to the location of the shelter at 415 Fairmont Drive. In appendix 2, green sales show properties that sold for higher than the current assessment, whereas orange or red show properties that sold for less than the current assessment.

Fairhaven Sales Review

The chart below lists the sales which occurred close to the shelter, with two sales occurring within 250 meters and 12 sales occurring within 500 meters of the shelter:

Sale Date	Address	Assessed Value	Sale Price	Current Assessment Minus Sale Price	Distance from Shelter
22-Jul-24	116 Clancy Dr	338,100	\$336,000	\$2,100	Within 250
24-Dec-24	104 Clancy Dr	361,900	\$380,000	(\$18,100)	Within 250
16-Mar-23	122 Forrester Rd	250,800	\$249,000	\$1,800	Within 500
11-May-23	122 Thomas Cres	337,500	\$308,000	\$29,500	Within 500
24-May-23	134 Pendencygrasse Rd	271,200	\$271,900	(\$700)	Within 500
29-Aug-23	130 Thomas Cres	339,000	\$324,900	\$14,100	Within 500
6-Sep-23	127 Forrester Rd	297,200	\$312,500	(\$15,300)	Within 500
20-Sep-23	142 Pendencygrasse Rd	356,400	\$351,000	\$5,400	Within 500
29-Nov-23	115 Forrester Rd	293,100	\$314,000	(\$20,900)	Within 500
5-Dec-23	106 Forrester Rd	322,200	\$300,000	\$22,200	Within 500
5-Dec-23	43 Crimp Pl	298,800	\$341,000	(\$42,200)	Within 500
8-Jan-24	39 Crimp Pl	297,700	\$309,000	(\$11,300)	Within 500
18-Mar-24	122 Hull Cres	277,600	\$307,000	(\$29,400)	Within 500
27-Sep-24	318 Pendencygrasse Rd	330,100	\$343,000	(\$12,900)	Within 500

Overall, of the 14 sales occurring within 500 meters of the shelter; sale prices, on average, were approximately \$5,400 or 1.95% higher than the assessed value. It is also important to note that the five most recent sales, occurring in 2024, have an average sale price of \$13,920 or 4.53% above assessed value. This suggests that property values continued to increase in 2024, as compared to assessed values, for properties within 500 meters of the shelter

Comparisons of market trends for similar neighborhoods were also looked at for this report. The chart below shows that neighborhoods with similar current median assessment are trending upwards since the base date.

Fairhaven Sales Review

Number of Sales	Neighborhood	Average Current Assessment Minus Sale Price	Average Market Change	NBHD Median Current Assessment
85	Pacific Heights	\$ (48,405)	14%	\$ 279,100
144	Confed Park	\$ (46,257)	14%	\$ 282,400
76	Massey Place	\$ (45,429)	13%	\$ 285,900
86	Fairhaven	\$ (18,140)	5%	\$ 302,700
102	Westview	\$ (59,955)	16%	\$ 308,400
95	Exhibition	\$ (56,613)	14%	\$ 319,100
113	Sutherland	\$ (40,391)	6%	\$ 337,300

While property values continue to grow in Fairhaven (5%), as compared to assessed value following the opening of the shelter, this table suggests that other neighborhoods have been growing at a faster rate. However, it should be noted that this may not necessarily be the case, as due to time constraints and ongoing sale reviews for the 2029 reassessment, only Fairhaven sales were verified as part of this report; city wide sales were not able to be fully vetted and only show an estimate of general market trends since the current base date. This is relevant as the initial average sales price in Fairhaven was \$47,400 or approximately 16% above the average assessment, but after a more thorough analysis, including data verification, the average sales price dropped to \$18,100 above the assessment. Similar data verification may result in less discrepancy between neighbourhoods than the table suggests, however, the Administration still felt this information was important to highlight.

Past Requests for Adjustments

Requests for adjustments to assessment have been made to City Council in the past, including requests for adjustments based on Historical Property status, the impact of smell caused by lift stations and riverbank sloping, and for impact of Covid-19. In all cases, no requests were approved by City Council.

The most relevant example may be the impacts of the Covid-19 pandemic, as a request was made to Standing Policy Committee on Finance on [March 8th, 2021](#), to adjust property tax for hotel properties as well as the Saskatoon Airport Authority. Despite this being a macro economic factor which impacted some industries and areas of the city differently than others, from an assessment view, the impact occurred after the previous cycle's base date of January 1, 2019, which meant that impacted properties would have to wait until the next Reassessment Cycle. This was supported by Saskatchewan Court of Appeal decisions that adjustments could not be made to assessments at that time.

Overall, the Administration does not recommend providing abatements for properties to mitigate real or perceived shortcomings of the assessment timing or process. These types of decisions and programs can be difficult to apply consistently based on varying scenarios and circumvent the foundation of the assessment process which is to provide a fair and equitable way to distribute the property tax burden amongst property owners.

Property Tax Options

Although Administration does not recommend implementing a property tax abatement program nor does the sales data indicate assessed values being higher than current sales, Committee and City Council still has the option to implement a property tax abatement program as indicated in the “current status” section of this report.

The current assessed value for the Fairhaven neighbourhood is approximately \$277,363,100. If Committee and City Council directed implementation of an abatement program it would cost approximately \$16,100 for every 1% reduction in property taxes, through an abatement, for the Fairhaven neighbourhood. In 2025, this would be an unfunded expenditure and Administration would do its best to deliver a balanced budget through managing the remainder of the budget and/or relying on the City’s Fiscal Stabilization reserve if an overall 2025 deficit was realized. Administration would recommend adding any abatement program to the 2026 budget which would impact the mill rate generally.

FINANCIAL IMPLICATIONS

The are no known financial implications of this report.

OTHER IMPLICATIONS

There is no privacy, legal, social, or environmental implications identified.

APPENDICES

1. List of Fairhaven Sales
2. Map of Fairhaven Sales

REPORT APPROVAL

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