

MULTI-RESIDENTIAL MODEL

IDENTIFICATION of MODEL AREA

The Multi-Residential model is an income model that values all the multi-residential properties in Regina. Multi-residential properties include non-condominium properties with four or more units, and apartment units typically located on upper floors of office and retail properties.

The Multi-Residential model is a city-wide model in application. There are seven distinct multi-residential neighbourhoods located within the City of Regina municipal boundaries, each with varying types and ages of multi-residential buildings, land sizes and locational characteristics. These neighbourhoods are defined on the enclosed map and are individually described below.

Zoning Descriptions

Properties valued by the Multi-Residential model reflect numerous zoning classifications, including contract zoning, commercial zoning and the majority reflecting residential zoning. The following are the predominant residential zonings found throughout the various multi-residential neighbourhoods in Regina. These are cursory generalized descriptions only and not meant to reflect complete details concerning these classifications:

- R1/R1A/R2 – Residential Detached; Residential Older Neighbourhood – Detached and Residential Semi-Detached; planned group of dwelling units
- R3/R4 – Residential Older Neighbourhood; planned group of dwelling units
- R4A – Residential Infill Housing; planned group of dwelling units; low rise apartments; seniors assisted living low rise apartments
- R6 – Residential Multiple Housing; apartments, low rise apartments, high rise apartments, seniors assisted living – low and high rise apartments

Neighbourhood 2610

Neighbourhood 2610 is located in Northwest Regina and is bordered on its south side by 9th Avenue North between Pasqua Street and Courtney Street, and by Dewdney Avenue between Courtney Street and the western municipal boundary of the city. Between Pasqua Street and Albert Street, the south boundary lies behind the subdivision known as Argyle Park; between Albert Street and Winnipeg Street, the south boundary wraps around the Uplands subdivision. The east boundaries are Pasqua Street, 12th Avenue North and the city's municipal boundaries north of 9th Avenue North; south of 9th Avenue North, the east boundary is Courtney Street. The north and west boundaries are the city's municipal boundaries.

There are 10 multi-residential developments in this neighbourhood, typically falling under the commercial zones (MS or PUD), with two of the 10 properties zoned R6. The majority of these developments are low rise apartment buildings (80%), with the remaining being townhouse developments. These buildings were constructed between 1977 and 1993, reflecting an average year built of 1984. Developments range in size from 12 units to 150 units, with an average unit count of 48.

Neighbourhood 2620

Neighbourhood 2620 encompasses properties located in north and west Regina. This neighbourhood is located east and south of Neighbourhood 2610 and is bordered on its south side by the CP tracks west of Lewvan Drive to Courtney Street, and the CN tracks east of Lewvan Drive to Winnipeg Street. The west boundaries are Catherwood Crescent south to 12th Avenue North, then Pasqua Street south to 9th Avenue North, then Courtney Street from 9th Avenue North south to the CP tracks. The east boundary is Winnipeg Street from Kowalchuk Crescent south to the CN tracks and then Lewvan Drive from there to the CP tracks.

There are 165 multi-residential developments in this neighbourhood, predominantly falling under residential zoning, the majority of which is R6. The vast majority of these developments are low rise apartment buildings (84%), with a scattering of townhouse developments (14%) and a few high rise developments (2%). These buildings were constructed between 1950 and 2007, reflecting an average year built of 1968. Developments range in size from 4 units to 224 units, with an average unit count of 22.

Neighbourhood 2630

Neighbourhood 2630 encompasses properties located in north central Regina. This neighbourhood is located east and south of Neighbourhood 2620 and is best described in three parts. One part lies west of Broad Street to Lewvan Drive, bordered on the south by Saskatchewan Drive and on the north by the CP tracks. The second part lies between Broad and Winnipeg Street, bordered by Victoria Avenue to the south and the CP tracks to the north. The third part lies east of Winnipeg Street, with McDonald Street being the east boundary, again between Saskatchewan Drive and 4th Avenue.

There are 50 multi-residential developments in this neighbourhood, predominantly falling under residential zoning, the majority of which is R4A. Approximately 75% of these developments are low rise apartment buildings, with the remaining being townhouse developments. These buildings were constructed between 1909 and 2007, reflecting an average year built of 1973. Developments range in size from 4 units to 51 units, with an average unit count of 14.

Neighbourhood 2640

Neighbourhood 2640 encompasses properties located in central Regina, encompassing the downtown area, the Cathedral area and the Transitional area. This neighbourhood is

bordered on the south side by Wascana Lake and Wascana Creek, which also provide the west boundary to Saskatchewan Drive. The north boundary is Saskatchewan Drive between Wascana Creek and Broad Street, then Victoria Avenue from Albert Street to Winnipeg Street, which is the east boundary for the neighbourhood.

There are 145 multi-residential developments in this neighbourhood, predominantly falling under residential zoning, the majority of which is R4A. The vast majority of these developments are low rise apartment buildings (72%); the remaining 28% is fairly evenly split between townhouse developments and high rise developments. These buildings were constructed between 1909 and 2011, reflecting an average year built of 1960. Developments range in size from 4 units to 320 units, with an average unit count of 36.

Neighbourhood 2650

Neighbourhood 2650 lies immediately east of central Regina. This neighbourhood is bordered on the south side by Wascana Lake between Winnipeg Street and the Ring Road, and Victoria Avenue East from the Ring Road to Brown Street. The north boundary is the CP tracks, the west boundary is Winnipeg Street, and the east boundary is the Ring Road from Wascana Creek to Victoria Avenue East and Brown Street from Victoria Avenue East to the CP tracks.

There are 73 multi-residential developments in this neighbourhood, predominantly falling under residential zoning, with one development falling under a commercial zone. The vast majority of these developments are low rise apartment buildings (89%); the remaining 11% are townhouse developments. These buildings were constructed between 1910 and 2005, reflecting an average year built of 1966. Developments range in size from 3 units to 150 units, with an average unit count of 20.

Neighbourhood 2670

Neighbourhood 2670 is located in south Regina and is bordered entirely on the north side by Wascana Lake and Wascana Creek. The city's municipal boundary forms both the south and east boundaries of this neighbourhood. The west boundary is Lewvan drive from the creek to 25th Avenue, and thereafter the city's municipal boundaries.

There are 163 multi-residential developments in this neighbourhood, predominantly falling under the residential zone R6, with two developments falling under an institutional zone. The vast majority of these developments are low rise apartment buildings (98%); the remaining 2% are townhouse developments. These buildings were constructed between 1954 and 2011, reflecting an average year built of 1963. Developments range in size from 4 units to 170 units, with an average unit count of 22.

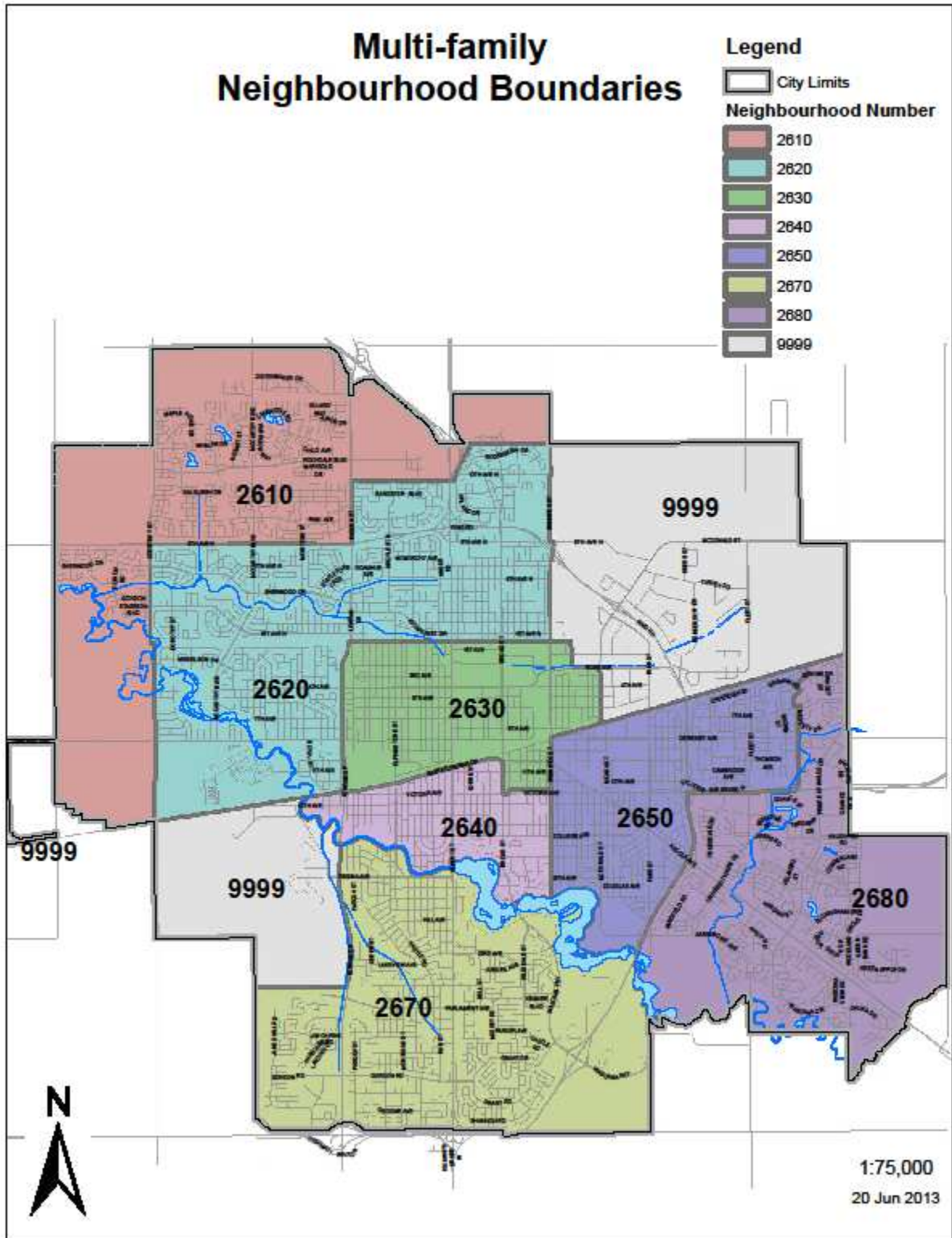
Neighbourhood 2680

Neighbourhood 2680 is located in southeast Regina and is bordered on the north by Victoria Avenue East from the Ring Road to Brown Street, and the CP tracks from

Brown Street to the city's municipal boundaries. The south boundary is Wascana Creek and the city's municipal boundaries. The west boundary is the Ring Road from Wascana Creek to Victoria Avenue East and then Brown Street from Victoria Avenue East to the CP tracks. The east boundary is the city's municipal boundaries.

There are 14 multi-residential developments in this neighbourhood, predominantly falling under the residential zone R6, with the remaining development falling under an institutional or commercial zone. The vast majority of these developments are low rise apartment buildings (64%); the remaining are townhouse developments. These buildings were constructed between 1977 and 2009, reflecting an average year built of 1989. Developments range in size from 4 units to 117 units, with an average unit count of 54.

MAP



EXECUTIVE SUMMARY

Multi-Residential Model

Appraisal Cycle Date – January 1, 2013 to December 31, 2016

Effective Date of Valuation – January 1, 2011

Date of Report – October 1, 2012

Low Rise Rent Model

	\$/Month
Base Rent: (One Bedroom Apartment Unit)	\$ 741
Additional Adjustments to Base Rent:	
Bachelor Apartment Unit	-\$ 124
Two Bedroom Apartment Unit	\$ 98
Three Bedroom or Greater Apartment Unit	\$ 229
One Bedroom Garden Unit	\$ 89
Two Bedroom Garden Unit	\$ 199
Loft Garden Unit	\$ 129
Unit Located in Basement or Semi Basement	-\$ 25
Apartment Unit Located on the Top Floor	\$ 8
Unit Located in a Semi Detached Building	-\$ 80
Unit Located 1949 or older built building	-\$ 48
Unit Located in a 1950's built building	-\$ 21
Unit Located in a 1960's built building	-
Unit located in a 1970 or newer built building	\$ 108
STUDY 2610 (North West)	\$ -
STUDY2620 (North)	-\$ 66
STUDY2630 (North Central)	-\$ 148
STUDY2640 (Downtown, Cathedral, Transitional Areas)	-\$ 87
STUDY2650 (East of Downtown)	-\$ 58
STUDY2670 (South)	\$ -
STUDY2680 (South East)	-\$ 121

Hi Rise Rent Model

	\$/Month
Base Rent: (One Bedroom Unit)	\$ 821
Additional Adjustments to Base Rent:	
Bachelor Unit	-\$ 216
Two Bedroom or Greater Unit	\$ 140
Unit with no balcony	-\$ 133
Unit Located on Floors Greater then or Equal to 10	\$ 79
Unit Located 1969 or older built building	-\$ 11
STUDY2610/2620/2630 (North/North Central/ North West)	-\$ 122
STUDY2640 (Downtown, Cathedral, Transitional Areas)	\$ -
STUDY2650 (East of Downtown)	-\$ 84
STUDY2670/2680 (South and South East)	\$ 133

Townhouse Rent Model

	\$/Month
Base Rent: (Three Bedroom Unit - Above Average Condition)	\$ 1,213.00
Additional Adjustments to Base Rent:	
One Bedroom Unit - Above Average Condition	-\$ 501.00
Two Bedroom Unit - Above Average Condition	-\$ 118.00
Four Bedroom or Greater Unit	\$ 277.00
STUDY2610/2620 (North/North West)	\$ -
STUDY2640 (Downtown, Cathedral, Transitional Areas)	-\$ 29.00
STUDY2630/2650 (North Central/East of Downtown)	-\$ 96.00
STUDY2670/2680 (South and South East)	\$ 26.00
Unit in Average Condition 2011 or older built building	-\$ 162.00

Vacancy

Vacancy = 1.74%

Overall Effective Gross Income Multipliers

Strata	Multiplier
Low Rise Buildings Built 1950 and Newer	9.41
Study Area 2620 (North)	-0.83
Study Area 2640 (Cathedral/Transitional)	-1.18
Study Area 2630 (North Central)	-2.99

Assessment to Sale Ratio Summary Results

Ratio Statistics for Assessment/Adjusted Price	
Number of Sales	81
Median	1.00
Coefficient of Dispersion	17.40%

SCOPE of DATA and ANALYSIS

Prior to 2012, the City Assessor requested copies of 2007, 2008, 2009 and 2010 rent rolls for all non-residential properties. The data for the development of the mass appraisal net rent model came from these returned rent rolls.

A total of 9,363 multi-residential rents were analyzed using multiple regression analysis. The rent model is an additive model that predicts rents based on the lease area size and the effective age of the building. The following table provides a breakdown of these rents along with statistical measurements.

Multi-Residential Rent Statistics

Low Rise Rent Model

Strata	Count	Minimum	Maximum	Mean	Median
Overall:	7270	\$ 300	\$ 1,259	\$ 759	\$ 755
Unit Located in Basement or Semi Basement	1717	\$ 365	\$ 1,075	\$ 704	\$ 700
Apartment Unit Located on the Top Floor	701	\$ 300	\$ 1,259	\$ 792	\$ 815
Unit Located in a Semi Detached Building	35	\$ 409	\$ 1,075	\$ 711	\$ 700
Unit Located 1949 or older built building	781	\$ 300	\$ 1,750	\$ 598	\$ 600
Unit Located in a 1950 year built building	898	\$ 360	\$ 1,050	\$ 709	\$ 725
Unit located in a 1960 or newer built building	2388	\$ 340	\$ 1,259	\$ 873	\$ 890
STUDY 2610 (North West)	213	\$ 765	\$ 1,259	\$ 933	\$ 899
STUDY2620 (North)	2136	\$ 412	\$ 1,089	\$ 782	\$ 790
STUDY2630 (North Central)	159	\$ 409	\$ 975	\$ 661	\$ 612
STUDY2640 (Downtown, Cathedral, Transitional Areas)	1596	\$ 300	\$ 1,050	\$ 629	\$ 627
STUDY2650 (East of Downtown)	477	\$ 390	\$ 1,150	\$ 752	\$ 750
STUDY2670 (South)	2406	\$ 410	\$ 1,249	\$ 805	\$ 804
STUDY2680 (South East)	283	\$ 520	\$ 1,125	\$ 852	\$ 800

Hi Rise Rent Model

Strata	Count	Minimum	Maximum	Mean	Median
Overall:	1333	\$ 485	\$ 1,209	\$ 833	\$ 820
Units with no balcony	386	\$ 560	\$ 1,025	\$ 708	\$ 697
Unit Located on Floors Greater then or Equal to 10	56	\$ 560	\$ 1,134	\$ 866	\$ 845
Unit Located 1969 or older built building	635	\$ 485	\$ 1,134	\$ 817	\$ 820
STUDY2610/2620/2630 (North/North Central/ North West)	246	\$ 500	\$ 825	\$ 784	\$ 785
STUDY2640 (Downtown, Cathedral, Transitional Areas)	702	\$ 530	\$ 1,185	\$ 807	\$ 820
STUDY2650 (East of Downtown)	107	\$ 485	\$ 950	\$ 677	\$ 660
STUDY2670/2680 (South and South East)	278	\$ 713	\$ 1,209	\$ 1,003	\$ 1,030

Townhouse Rent Model

Strata	Count	Minimum	Maximum	Mean	Median
Overall:	760	\$ 550	\$ 1,349	\$ 1,091	\$ 1,099
Unit in Average Condition	239	\$ 550	\$ 1,349	\$ 1,013	\$ 995
STUDY2610/2620 (North/North West)	179	\$ 550	\$ 1,349	\$ 1,081	\$ 1,069
STUDY2630/2650 (North Central/East of Downtown)	209	\$ 900	\$ 1,179	\$ 1,069	\$ 1,119
STUDY2640 (Downtown, Cathedral, Transitional Areas)	307	\$ 800	\$ 1,199	\$ 1,124	\$ 1,099
STUDY2670/2680 (South and South East)	65	\$ 875	\$ 1,200	\$ 1,034	\$ 1,060

Multi-Residential Summary Results

Strata	Count	Minimum	Maximum	Mean	Median
Townhouse	760	\$ 550	\$ 1,349	\$ 1,091	\$ 1,099
Low Rise	7270	\$ 300	\$ 1,259	\$ 759	\$ 755
Hi Rise	1333	\$ 485	\$ 1,209	\$ 833	\$ 820

Vacancy

The typical 2011 vacancy was estimated from the returned rent rolls and indicated an adjustment of 1.74%.

Gross Income Multiplier and Adjustments

Gross income multipliers were estimated by dividing the predicted 2011 net operating income generated from the rent model by adjusted sale prices. The 81 sales used in the analysis occurred between January 1, 2008 and December 31, 2010. The sales were verified by mailing questionnaires to both vendors and purchasers. Sales were adjusted for chattels as reported; an analysis of 64 sales reporting chattels indicated an average of 1%, which was then applied to those sales where no adjustment was reported. The sales were also time-adjusted to the base date of January 1, 2011. The indicated time adjustment was approximately 6% per year.

The reconciliation process for the resulting income multipliers involved reviewing multiple regression analysis results and reviewing results based on actual reported incomes.

The effective gross income multiplier analysis involved 81 sales, detailed in the following table.

Sales

ACC_ID	Civic Address	Sale Month	Sale Year	Adjusted Price	Potential Effective Gross Income	Effective Gross Income Multiplier
10007965	69 KLEISINGER CRESCENT	2	2010	\$ 1,618,050	177,359	9.12
10012308	2620 5TH AVENUE N	7	2008	\$ 2,055,275	202,121	10.17
10012333	19 SHAW STREET	11	2010	\$ 959,172	107,398	8.93
10012833	443 N LORNE STREET	5	2008	\$ 3,316,005	463,394	7.16
10012927	405 N LORNE STREET	4	2008	\$ 1,566,000	154,465	10.14
10012929	419 N LORNE STREET	1	2009	\$ 1,439,465	154,465	9.32
10017159	445 RAE STREET	10	2009	\$ 1,527,423	227,177	6.72
10019965	816 MCINTOSH STREET	10	2010	\$ 339,360	35,668	9.51
10019981	817 EMPRESS STREET	9	2008	\$ 754,775	69,666	10.83
10019986	841 EMPRESS STREET	11	2009	\$ 1,632,634	201,924	8.09
10019989	836 EMPRESS STREET	2	2008	\$ 650,520	91,677	7.10
10019997	807 GREY STREET	10	2010	\$ 289,969	35,374	8.20
10020179	5131 3RD AVENUE	5	2009	\$ 1,237,348	180,504	6.85
10024080	4811 4TH AVENUE	2	2009	\$ 288,489	34,784	8.29
10024081	4801 4TH AVENUE	6	2009	\$ 350,708	34,784	10.08
10024085	4711 4TH AVENUE	3	2009	\$ 204,978	34,784	5.89
10024087	4641 4TH AVENUE	1	2008	\$ 278,475	34,784	8.01
10024090	4611 4TH AVENUE	3	2009	\$ 259,675	33,703	7.70
10022802	7116 DEWDNEY AVENUE	9	2010	\$ 391,892	35,177	11.14
10022804	7106 DEWDNEY AVENUE	3	2009	\$ 275,145	32,033	8.59
10022804	7106 DEWDNEY AVENUE	8	2009	\$ 383,400	32,033	11.97
10026457	2712 7TH AVENUE	5	2010	\$ 398,475	62,002	6.43
10026642	1454 RAE STREET	6	2008	\$ 865,260	161,441	5.36
10026642	1454 RAE STREET	2	2010	\$ 1,351,350	159,967	8.45
10026668	1440 ANGUS STREET	6	2008	\$ 1,006,244	163,210	6.17
10032444	1657 RAE STREET	2	2010	\$ 368,550	57,875	6.37
10032765	1912 OTTAWA STREET	6	2009	\$ 376,050	44,264	8.50
10032903	1817 QUEBEC STREET	6	2008	\$ 265,650	32,524	8.17
10032691	1602 VICTORIA AVENUE	6	2008	\$ 467,360	131,374	3.56
10032691	1602 VICTORIA AVENUE	5	2010	\$ 1,132,911	131,374	8.62
10036898	2157 RAE STREET	5	2008	\$ 1,541,371	162,326	9.50
10037109	2115 MONTAGUE STREET	2	2010	\$ 1,819,125	181,683	10.01
10037433	2915 15TH AVENUE	6	2009	\$ 399,265	39,304	10.16
10037495	2358 RAE STREET	12	2009	\$ 5,692,624	745,990	7.63
10037568	2104 MCINTYRE STREET	1	2008	\$ 767,745	88,237	8.70
10037643	2105 CORNWALL STREET	12	2010	\$ 809,188	231,402	3.50
10037665	2024 14TH AVENUE	12	2010	\$ 4,287,000	476,168	9.00
10037677	2079 HAMILTON STREET	7	2009	\$ 1,383,374	176,377	7.84
10038348	1613 13TH AVENUE	3	2008	\$ 434,545	67,112	6.47
10038432	2023 OTTAWA STREET	12	2009	\$ 466,930	67,505	6.92
10040118	35 VAUGHN STREET	6	2009	\$ 418,560	52,471	7.98
10040121	125 FROOM CRESCENT	3	2008	\$ 1,909,437	219,316	8.71
10040155	126 FROOM CRESCENT	3	2008	\$ 1,862,657	209,982	8.87
10040156	114 FROOM CRESCENT	8	2009	\$ 1,843,301	234,940	7.85
10040159	98 FROOM CRESCENT	1	2008	\$ 357,200	40,090	8.91
10040159	98 FROOM CRESCENT	4	2008	\$ 419,340	40,090	10.46
10040162	84 FROOM CRESCENT	2	2008	\$ 731,250	108,479	6.74
10040173	24 FROOM CRESCENT	6	2010	\$ 1,463,630	156,135	9.37
10043796	230 E BROADWAY AVENUE	12	2010	\$ 1,290,000	108,479	11.89
10043870	431 E 17TH AVENUE	7	2010	\$ 390,679	38,911	10.04

ACC_ID	Civic Address	Sale Month	Sale Year	Adjusted Price	Potential Effective Gross Income	Effective Gross Income Multiplier
10043899	2479 FRANCIS STREET	10	2009	\$ 405,530	35,177	11.53
10043900	2477 FRANCIS STREET	2	2008	\$ 472,645	35,177	13.44
10043985	325 E COLLEGE AVENUE	7	2009	\$ 297,833	37,241	8.00
10043989	405 E COLLEGE AVENUE	5	2008	\$ 284,130	35,177	8.08
10043990	401 E COLLEGE AVENUE	5	2008	\$ 284,130	35,177	8.08
10042445	722 17TH AVENUE	1	2008	\$ 239,627	26,137	9.17
10041254	2709 CORONATION STREET	6	2010	\$ 476,350	49,032	9.72
10041260	3821 PRINCESS DRIVE	5	2008	\$ 403,324	35,668	11.31
10046654	3345 ARGYLE ROAD	7	2010	\$ 1,003,475	99,537	10.08
10046656	3210 WESTGATE AVENUE	1	2008	\$ 523,463	85,290	6.14
10046656	3210 WESTGATE AVENUE	9	2010	\$ 782,565	85,290	9.18
10046657	3208 WESTGATE AVENUE	4	2008	\$ 442,076	46,870	9.43
10052978	2720 29TH AVENUE	1	2009	\$ 3,301,515	366,117	9.02
10053175	3970 RETALLACK STREET	12	2008	\$ 472,618	39,697	11.91
10053175	3970 RETALLACK STREET	9	2009	\$ 489,555	39,697	12.33
10053201	3861 RETALLACK STREET	7	2010	\$ 1,095,725	116,733	9.39
10053208	3820 RETALLACK STREET	8	2009	\$ 381,240	36,749	10.37
10053209	3828 RETALLACK STREET	7	2009	\$ 392,065	36,749	10.67
10053214	3900 RETALLACK STREET	9	2008	\$ 431,300	36,749	11.74
10053214	3900 RETALLACK STREET	8	2010	\$ 416,670	36,749	11.34
10053215	3910 RETALLACK STREET	9	2008	\$ 431,300	36,749	11.74
10053215	3910 RETALLACK STREET	12	2008	\$ 448,000	36,749	12.19
10053216	3920 RETALLACK STREET	2	2008	\$ 345,150	36,749	9.39
10053216	3920 RETALLACK STREET	6	2008	\$ 470,350	36,749	12.80
10053221	3945 ROBINSON STREET	1	2008	\$ 364,838	36,749	9.93
10053238	3000 26TH AVENUE	3	2008	\$ 346,588	38,911	8.91
10053325	141 PROCTER PLACE	11	2008	\$ 1,353,938	168,418	8.04
10053526	46 SPENCE STREET	3	2010	\$ 1,853,830	220,495	8.41
10055044	4313 RAE STREET	11	2008	\$ 2,076,188	220,495	9.42
10055841	133 DAVIDSON CRESCENT	6	2009	\$ 2,050,290	356,782	5.75
10056419	4730 PASQUA STREET	5	2008	\$ 12,755,820	1,337,417	9.54

The reconciliation process for determining economic gross income multiplier strata primarily involved multiple regression analysis, supported by a consultation process with individuals active in the Regina real estate market. Recognized published gross income multiplier data were also reviewed. The economic gross income multipliers are as follow:

Strata	Multiplier
Low Rise Buildings Built 1950 and Newer	9.41
Study Area 2620 (North)	-0.83
Study Area 2640 (Cathedral/Transitional)	-1.18
Study Area 2630 (North Central)	-2.99

MODEL TESTING

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 multi-residential 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 Multi-Residential model is provided below:

Number of Sales	81
Median	1.00
Coefficient of Dispersion	17.40%