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Land pricing

www.emr.gov.yk.ca/lands/info

One of a series of fact sheets published by the
Department of Energy, Mines and Resources

April 2006

This fact sheet explains how the Yukon government establishes a purchase price or rent for your approved application.

Introduction

The Lands Branch is required under the *Territorial Lands (Yukon) Act* and regulations and *Yukon Lands Act* and regulations to price land at “market value.”

How does the Yukon government establish the purchase price?

Lands Branch uses the services of Community Services, Property Assessment and Taxation to provide values for a property.

What is market value?

Market value is the most probable price that would be paid for your property in a competitive and open market. It assumes that:

- the buyer and seller are acting with prudence and knowledge;
- there is sufficient time for the sale; and
- the transaction is not affected by undue pressure.

When is this value requested?

An estimate of market value will be requested once your application has been approved. An initial estimate of market value will be given based on a sketch of the approved application area. The final value is determined after a legal survey has been completed.

Can I request a review of the value of the property?

Yes, you can send a request for review of the estimate or final value to the Manager of Client Services, Lands Branch. The legal survey doesn't need to be completed to do a review. The review will be completed by the branch and an appraiser.

Your request for review should have valid factors to explain why a review is required, e.g., topography, easements or other factors that affect value may have been overlooked. The appraiser may ask you to attend a site inspection of the land.

How will my lot enlargement be valued?

The valuation technique used is commonly referred to as the direct comparison approach. This approach analyzes listings or sales of comparable vacant land to determine a range of values for your application.

From this analysis, the value of your enlargement is determined by estimating the difference in value between the original lot and the final enlarged property.

The additional amount of land for each enlargement varies and is a significant factor in determining the value.

Other factors affecting an estimated value could be:

- location of the enlargement area relative to the original parcel of land;

ADMINISTRATIVE JURISDICTIONS

YUKON GOVERNMENT

Controls the majority of all vacant land in the territory.

ENERGY, MINES AND RESOURCES

Lands Branch accepts applications to sell, lease, develop and use land under Yukon government control.

Agriculture Branch administers Yukon agricultural and grazing programs.

Minerals Management Branch administers placer and quartz claims, rights and use in the territory.

Forestry Branch administers timber permits and forestry planning.

COMMUNITY SERVICES

Community Land Planning manages zoning regulations in rural Yukon and administers subdivision outside Whitehorse and Dawson City. Also provides mapping services.

YUKON FIRST NATIONS

Control their own settlement lands.

MUNICIPALITIES

Administer lands, community plans and zoning bylaws within their jurisdictions.

Whitehorse and Dawson City also control subdivision within their boundaries.

The Government of Canada, through Natural Resources Canada, Legal Surveys Division provides maps and plans for a fee.

- topography;
- access; or
- proximity to water bodies.

If required, there is also an opportunity for you to meet with the appraiser to discuss how the value was determined.

How is lease rent determined?

Annual rent will be established once both parties agree on boundaries of the parcel and conditions of the lease are known. Any development restrictions are considered in determining the final estimate of market value.

The *Territorial Lands (Yukon) Act* and *Lands Act* and their regulations requires the Yukon government to lease land at 10% of market value. Determination of market value for lease purposes recognizes that a lease does not provide the same interest in land as fee simple title.

Can I hire a private appraiser?

Yes, you can hire a private appraiser. The Yukon government requires that your appraiser be qualified by the Appraisal Institute of Canada for the category of land applied for, e.g., residential or commercial.

If hiring a private appraiser, they must obtain instructions from the Lands Branch prior to conducting the appraisal.

Am I reimbursed for my private appraisal?

The Yukon government recognizes that the cost of hiring a private appraiser is a legitimate expense as it relates to a real estate transaction.

The cost of your appraisal is deducted from the market value.

There are, however, qualifications on cost-sharing for value appeals. (*More details on this process are outlined in the Land Value Review Process policy which is available at Lands Branch or online at www.emr.gov.yk.ca/lands.*)

The Yukon government also considers survey costs to be a development cost to the property. These costs are deducted from the market value in recognition that the land would not have the same value without the survey.

Why can't my lease payments reduce a future purchase price?

Lease rent is an annual payment to cover your use of the land and is not meant to cover future purchase. The market value formula for "lease rent" is different from the market value formula for "purchase of land."

CONTACTS

YUKON GOVERNMENT

ENERGY, MINES AND RESOURCES

Lands Branch

Tel: (867) 667-5215

Toll free: 1-800-661-0408, ext 5215

Fax: (867) 667-3214

land.disposition@gov.yk.ca

- land applications
- sale of developed lots
- land use permits

COMMUNITY SERVICES

Building Safety

Tel: (867) 667-5741

Toll free: 1-800-661-0408 ext 5741

Fax: (867) 393-6249

- building and construction permits (outside Whitehorse)

JUSTICE

Land Titles

Tel: (867) 667-5612

Toll free: 1-800-661-0408 ext 5612

Fax: (867) 393-6358

YUKON HOUSING CORPORATION

Loans Administration

Tel: (867) 667-8114

Toll free: 1-800-661-0408 ext 8114

Fax: (867) 667-3664

- lot financing
- A/S program

OTHER AGENCIES

CITY OF WHITEHORSE

Planning Services

Tel: (867) 668-8335

Fax: (867) 668-8395

- development cost charges
- land planning and zoning

Building Inspection

Tel: (867) 668-8340

Fax: (867) 668-8395

CITY OF DAWSON

Tel: (867) 993-7400

Fax: (867) 993-7434

- subdivision approval
- land planning and zoning

NRCAN LEGAL SURVEYS DIVISION

Tel: (867) 667-3950

Fax: (867) 393-6707

- legal survey maps, plans, approvals

ENVIRONMENTAL HEALTH SERVICES

Tel: (867) 667-8391

Fax: (867) 667-8322

- septic systems