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**Court of Appeal for Saskatchewan**

**Citation: *SBLP Southland Mall Inc. v Regina (City)*, 2025 SKCA 126**

**Docket: CACV4273**

**Date: 2025-12-02**

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Between:

**SBLP Southland Mall Inc.**

*Appellant*  
*(Appellant)*

And

**City of Regina and Saskatchewan Assessment Management Agency**

*Respondents*  
*(Respondents)*

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Before: Jackson, McCreary and Drennan JJ.A.

Disposition: Appeal dismissed (orally)

Written reasons by: The Honourable Justice Meghan R. McCreary  
In concurrence: The Honourable Justice Georgina R. Jackson  
The Honourable Justice Jillyne M. Drennan

On appeal from: 2023 SKMB 53, Regina  
Appeal heard: December 2, 2025

Counsel: Allison Graham for the Appellant  
Steven Dribnenki, K.C., for the City of Regina  
No one appearing for Saskatchewan Assessment Management Agency

## McCreary, J.A.

### I. OVERVIEW

[1] After a hearing on December 2, 2025, the Court unanimously dismissed this appeal with reasons to follow. These are our reasons.

[2] In 2019, the City of Regina [City] assessed the Southland Mall [Southland] for the annual municipal property tax assessment. Southland was grouped in the same stratum as the Cornwall Centre “to produce a single market rent estimate (differing from the other three [enclosed shopping] centres [in Regina]) in three categories” (*SBLP Southland Mall Inc. v Regina (City)*, 2023 SKMB 53 at para 5). The assessor assessed the property at approximately \$135 million.

[3] Southland challenged this assessment at the Board of Revision [Board]. The Board upheld the valuation, and when Southland appealed to the Assessment Appeals Committee [Committee], so did the Committee. However, on appeal to this Court in 2022, the Court sent the decision back to the Committee, finding that the Board had breached its duty of procedural fairness (*SBLP Southland Mall Inc. v Regina (City)*, 2022 SKCA 115, 474 DLR (4th) 702).

[4] When the matter was returned before the Committee, Southland added, as a ground of appeal, the issue now before this Court. Ultimately, the Committee upheld the Board’s decision that the assessor had not erred by determining that more than one property’s rents were required to create a mass appraisal model. In doing so, the Committee relied on two decisions of this Court: *Affinity Holdings Ltd. v Shaunavon (Town)*, 2022 SKCA 83, 474 DLR (4th) 71 [*Affinity*] and *Sasco Developments Ltd v Moose Jaw (City)*, 2012 SKCA 24, 385 Sask R 287 [*Sasco*]. It concluded that using only a single property’s rents constitutes a single-property appraisal, which is not permitted pursuant to *The Cities Act*, SS 2002, c C-11.1 [*Act*] because the *Act* requires mass appraisal to determine a property’s value.

[5] With leave, Southland now appeals to this Court, arguing that the Committee erred in law when it determined that more than one property’s rents are required within a rent model or within a stratification within a rent model when an assessment is performed. This ground of appeal raises two questions: (1) did the Committee err in law by finding that more than one property’s rents are

required within a rent model; and (2) did the Committee err in law by finding that more than one property's rents are required within a stratification within a rent model?

[6] As these reasons show, the Committee correctly interpreted the *Act* as requiring mass appraisal and correctly found that mass appraisal employing the income approach cannot be undertaken using rents from a single property. As such, I see no reviewable error in the Committee's decision and the appeal must be dismissed.

## II. ANALYSIS

### A. More than one property's rents are required within a rent model

[7] The *Act* defines "market valuation standard" as comprising four parts (*Act*, s. 163(f.1)). It requires that all non-regulated properties be appraised using the market valuation standard (*Act*, s. 164.1(2)). It follows that all cities in Saskatchewan must use mass appraisal. Indeed, on more than one occasion, this Court has affirmed the primacy of mass appraisal for non-regulated property assessments: see e.g., *Imperial Oil Limited v Regina (City)*, 2016 SKCA 107 at para 6, 408 DLR (4th) 46; *Walmart Canada Corp. v Estevan (City)*, 2021 SKCA 157; *Affinity*; *Consumers Co-operative Refineries Limited v Regina (City)*, 2020 SKCA 111 at para 7 [CCRL].

[8] In *Affinity*, this Court commented at length about what mass appraisal is and how it works within the legislative scheme in Saskatchewan. *Affinity* provides a definition for mass appraisal (at para 166) and holds that mass appraisal involves assessing "the market values of a group of similar properties" (*Affinity* at para 169). In addition, mass appraisal must employ common data from different properties when building the model (*Affinity* at para 177, citing *Sasco* at para 12). The system "depends on the classification of properties into groups with similar value-driven characteristics" (*Brandt Properties Ltd. v Saskatoon (City)*, 2021 SKCA 19 at para 55).

[9] This Court has affirmed the contrast between single-property appraisal and mass appraisal in other decisions as well: see e.g., *CCRL* at para 7 ("Mass appraisal requires an assessor to use certain standard appraisal methods to prepare assessments for a group of properties instead of individual properties (s. 163(f.3))"); *Affinity* at paras 168-169). *Sasco* stands for the proposition that substance prevails over form when interpreting the *Act*. It establishes that it is an error of law

for an assessor to apply single-property appraisal. In summary, this Court's jurisprudence provides that any method that is not mass appraisal has only limited use in this regime.

[10] Thus, as a matter of law, the *Act* requires assessors to assess multiple properties and then determine the tax liability for all of them based on a statistical model using common data from those properties. I therefore cannot accept Southland's argument that using multiple rents from a single property can fit within the statutory definition of mass appraisal. Mass assessment requires that multiple properties be assessed using one model. That much is clear from *Affinity*, *Sasco*, *CCRL*, and a modern reading of the *Act*.

[11] While Southland directs us to its expert evidence that the Saskatchewan Assessment Management Agency handbook does not require multiple properties for a rent model, this appeal is about what the *Act* requires, not whether it might be possible to construct a different approach to assessment than that prescribed by the *Act*. To that extent, an expert's opinion is of little relevance. In any event, the Committee found that the expert evidence conflicted on this point, and declined to place weight on it, relying instead on its interpretation of the *Act* and case law from this Court, which it correctly interpreted. There is no reviewable error here.

**B. More than one property's rents are required within a stratification within a rent model**

[12] In the alternative, Southland argues that property assessors can properly make adjustments within a rent model using rents from one property and that is what should have been done. Southland contends that the Cornwall Centre should have been considered a substratum by itself and then its model should have been modified for the substratum based on its own rents. On this point, Southland relies on two municipal board decisions: *Saskatoon (City) v Midtown Plaza Inc.*, AAC 2011-0068, [2012] SMBAACD No 40 (Lexis) [*Midtown*] and *Saskatoon (City) v 101071855 Saskatchewan Ltd.*, 2019 SKMB 5 [*Saskatoon v SaskCo*].

[13] In *Midtown*, the Committee reviewed the assessment of the Midtown Plaza, an enclosed shopping centre in Saskatoon. The main issue before the Committee was whether the Board of Revision had erred when it held that the assessor could apply model rents derived from Midtown Plaza's own rents to determine its assessed value. The Committee determined that the Board of

Revision had not erred because Midtown Plaza was unique, so it was distinct from the four other enclosed shopping centres in Saskatoon. Similarly, in *Saskatoon v SaskCo*, the subject property was a residential apartment tower and the question before the Committee was whether the Board of Revision erred by holding that the Estimated Potential Gross Rent could be based on the actual contract rents of the property. The Committee held that, given the uniqueness of the property, the assessor ought to have used the range of rental rates and then applied the median rental rate for each grouping.

[14] The issue of whether *Midtown* and *Saskatoon v SaskCo* were correctly decided is not before the Court, and this judgment does not consider their correctness. In any event, much distinguishes *Midtown* and *Saskatoon v SaskCo* from the within appeal. In both *Midtown* and *Saskatoon v SaskCo*, the property at issue was found to be unique. In contrast, no such finding exists here – neither the Cornwall Centre nor the Southland Mall have been found to be unique.

[15] Southland argues that this fact does not distinguish *Midtown* and *Saskatoon v SaskCo* because the assessor made no such finding of fact; he did not find that Cornwall Centre was either unique or not unique. Southland contends that the assessor’s failure to make a finding either way in this regard demonstrates an error in principle because he simply accepted that more than one property’s rents were required to be used within a rent model and did not question whether one of the properties in the model achieved the standard of uniqueness so that it should not be used as a comparator.

[16] Respectfully, I do not agree that this demonstrates an error. On the contrary, in *Midtown* the assessor classified Midtown Plaza as a *regional* shopping centre and the remaining shopping malls as *community* shopping centres. The Committee found that a regional shopping centre was substantively different from other kinds of shopping centres (*Midtown* at para 19). In respect of Midtown Plaza’s “uniqueness”, the Committee said this:

[35] First is the concept of “uniqueness” relating to Midtown Plaza. This is a proven fact for the subject case. There are salient facts and evidence relating to physical attributes, income characteristics for both the real estate and market sale price to substantiate its “uniqueness” in comparison to the four other shopping centres in the enclosed shopping centre grouping. This established fact is undisputed by the parties.

[17] In both *Midtown* and *Saskatoon v SaskCo*, the Committee determined that, on the evidence, the properties were unique based on ordinary mass appraisal principles. In other words, the criteria used to determine stratification in the model at large required further sub-stratification, rather than the property's own characteristics.

[18] Assuming *Midtown* is correctly decided, there is no suggestion from the record that evidence existed upon which an assessor could find the Cornwall Centre was a regional shopping centre, substantively different than the Southland Mall, even if the assessor had first turned his mind to that issue before proceeding on the basis that more than one property's rents were required to be included in a model. It follows that the facts upon which the conclusions in *Midtown* were founded, and which *Saskatoon v SaskCo* followed, are easily distinguishable here.

[19] Stratification must be performed using factors relating to the comparability of the subject properties (*Harvard Property Management Inc. v Saskatoon (City)*, 2017 SKCA 34 at paras 24-26). Such factors include the physical characteristics of a property, the market conditions, and legal restrictions on land use (*Harvard* at para 23). Using a single property's rents to create its own substratum does not relate the comparability of that property to others. Thus, while an assessor can create substrata for individual properties, they cannot do so based on a single property's rents. If they could, then every property could be its own substratum, which violates the concept and purpose of mass appraisal.

[20] Accordingly, the Committee did not err when it concluded that the assessor could not use a property's own rents as a basis for adjusting the model or sub-stratifying properties.

