Court of Appeal for Saskatchewan
Docket: CACV4327

Citation: *Mainstreet Equity Corp. v Saskatoon (City)*, 2026 SKCA 16
Date: 2026-02-03

Between:

Mainstreet Equity Corp.

Appellant
(Respondent)

And

City of Saskatoon

Respondent
(Appellant)

Before:	Leurer C.J.S., McCreary and Kilback JJ.A.
Disposition:	Appeal dismissed
Written reasons by:	The Honourable Justice Meghan R. McCreary
In concurrence:	The Honourable Chief Justice Robert W. Leurer The Honourable Justice Keith D. Kilback
On appeal from:	2024 SKMB 6, Regina
Appeal heard:	March 4, 2025
Counsel:	Nicholas Horlick for the Appellant Alan W. Rankine for the Respondent

McCreary J.A.

I. OVERVIEW

[1] In this appeal, the key issue before the Court is whether a condominium unit held in fee simple must be assessed individually, or whether a property housing numerous condominium units can be assessed as a single property like an apartment building, based on its business use.

[2] Mainstree Equity Corp. [Mainstreet] appeals from a decision of the Assessment Appeals Committee of the Saskatchewan Municipal Board [Committee], *Saskatoon (City) v Mainstreet Equity Corp.*, 2024 SKMB 6 [*Committee Decision*], in which the Committee overturned a decision of the Board of Revision [Board] for the City of Saskatoon. The Board had determined appeals relating to the City's assessment of 192 residential condominium properties [Condominium Properties], overturning the original assessment which had assessed the Condominium Properties individually. The Board directed that the Condominium Properties instead should be assessed as one property using the low-rise apartment model income approach.

[3] On appeal to the Committee, it concluded the Board had erred by overturning the original assessment. The Committee reasoned that *The Cities Act*, SS 2002, c C-11.1 [*Cities Act*], and *The Condominium Property Act, 1993*, SS 1993, c C-26.1 [*CPA*], require that each condominium unit be assigned an assessed value. Further, it noted that what is assessed is the fee simple interest in a property, which obliges an assessment of the Condominium Properties based on the single-family sales comparison method. The Committee concluded that the Board erred when it required an income-based assessment for the Condominium Properties because doing so did not consider the Condominium Properties' fee simple interests and thereby violated the market valuation standard required by the legislation.

[4] Mainstreet has been granted leave to appeal from the *Committee Decision* on the following grounds:

> (a) Did the Committee err in law when it held that the Board's remedy to order reassessment of the subject properties based on a low-rise apartment model was in violation of the "market valuation standard" defined in clause 163(f.1) of *The Cities Act*, SS 2002, c C-11.1, based on the requirement that each condominium unit must have an assessed value pursuant to subsection 93(2) of *The Condominium Property Act*, SS 1993, c C-26.1?

(b) Did the Committee err in law when it held that the Board ignored the factual matrix, argument and explanation of the assessment before it, overturning the Board's finding that the subject properties are not comparable to the sales of individual condominium units relied on by the assessor and that the assessments consequently cannot meet the "market valuation standard"?

[5] I would dismiss Mainstreet's appeal. The *Cities Act* and the *CPA* require that the fee simple interest in each condominium unit must be assessed individually. The Committee properly considered the principles of equity and comparability when it concluded that an individual assessment of each of the Condominium Properties was required by the legislation and did not otherwise err in its review of the Board's decision.

II. BACKGROUND

[6] Mainstreet owns 192 individual condominium properties which comprise six low-rise buildings that, together, are assigned the civic address of 906 Duchess Street in Saskatoon. Each property is an estate in fee simple with its own title, which I have referred to collectively as the Condominium Properties. At some point prior to Mainstreet's ownership, the Condominium Properties were converted from a single parcel operated as a rental property into a set of 192 individual condominiums. However, even after the stratification of the property into condominium units, the Condominium Properties continued to be operated as a rental apartment complex. In 2016, Mainstreet purchased the 192 condominiums and continued their collective use as a rental apartment complex. Mainstreet has a single mortgage of $22,150,494.31 registered against all the Condominium Properties.

[7] In 2023, the Condominium Properties were assessed by the City as individual condominium units, corresponding with their stratified titles. The City's assessor used the single-family residential sales comparison method so that each individual condominium's market value was estimated by a separate comparison to other condominium units sold separately throughout the City of Saskatoon. The total value of the assessments was $27,734,700. This resulted in the Condominium Properties being valued at just over $10.5 million more than they would have been valued had the multi-family assessment model been used.

[8] Mainstreet appealed this initial assessment to the Board, which held that the single-family sales comparison method should not have been used to assess the Condominium Properties. It

reasoned that because 906 Duchess Street had one owner and one mortgage and was being operated as a multi-residential apartment complex, the low-rise apartment model income approach should have been employed in the assessment. The Board revised the assessment to $17,072,600.

[9] The City appealed the Board's decision to the Committee, which restored the original assessment.

[10] The Committee found that the Board erred in law by changing the method of valuation for the Condominium Properties and by ordering an assessment that violated the market valuation standard. It also found that the Board erred in mixed fact and law by ordering a change in the assessment of the Condominium Properties in the absence of a demonstrated violation of equity with similar properties.

[11] In its decision, the Committee commented that non-regulated property assessments must be determined according to the "market valuation standard", which is defined under s. 163(f.1) of the *Cities Act* as follows:

> … the standard achieved when the assessed value of property:
>
> (i) is prepared using mass appraisal;
>
> (ii) is an estimate of the market value of the estate in fee simple in the property;
>
> (iii) reflects typical market conditions for similar properties; and
>
> (iv) meets quality assurance standards established by order of the [Saskatchewan Assessment Management Agency];

[12] The Committee concluded that, pursuant to s. 165(3) of the *Cities Act*, the "dominant and controlling factor in the assessment of property is equity", and that equity in non-regulated property assessments is achieved by "applying the market valuation standard so that the assessments bear a fair and just proportion to the market value of similar properties as of the applicable base date", as required by s. 165(5). The Committee held that the legislative scheme required each unit of a condominium to be valued individually regardless of its use. It placed particular emphasis on s. 163(f.1)(ii) of the *Cities Act*, which requires, as one of the foundations of the market valuation standard, an estimate of the market value of the estate in fee simple. The Committee saw this as being bolstered by s. 5(2) of the *CPA*, which states that "[e]very title that is issued pursuant to this Act is for an estate in fee simple in the condominium unit to which the title refers". The Committee found that the plain language of s. 165(1) of the *Cities Act*, which

stipulates that an assessment "shall be prepared for each property in the city using only mass appraisal" (emphasis added) could only be held to mean that each condominium unit must be assessed individually.

[13] The Committee resolved that the fact that a single mortgage was negotiated by Mainstreet to finance the purchase of all 192 condominiums was irrelevant. The way the Condominium Properties were mortgaged was a business decision, and business decisions made by owners do not detract from the nature of fee simple rights and privileges afforded to condominium properties.

[14] Finally, the Committee noted that the Board had erred by failing to distinguish the case law relied upon by Mainstreet. In the Board's decision, it referred to *PR Investments Inc. v City of Moose Jaw* (25 April 2012), Moose Jaw AAC 2011-0042 (SKMB) [*PR Investments*] and *959630 Alberta Inc. v City of Prince Albert* (26 November 2014), Prince Albert AAC 2013-0260 and 2013-0295 (SKMB) [*Prince Albert*], as "higher precedential decisions" that supported the application of the multi-residential model to a group of condominiumized properties. In its appeal to the Committee, the City argued, and the Committee agreed, that those decisions were distinguishable because the requirement to reflect the market value of the estate in fee simple was not at issue in either case. Thus, the Committee determined that the Board ignored the factual matrix, argument, and explanation of the assessments in the above precedents and erred by following them.

[15] The Committee concluded that the Board had made a material error by ordering assessments that failed to reflect an estimate of the market value of the estate in fee simple of the properties. It reinstated the initial property assessments as prepared by the City.

III. ANALYSIS

A. The Committee correctly determined that the Board's reassessment violated the market valuation standard

[16] Mainstreet argues that the Committee erred in law when it held that the Board's order requiring a reassessment of the Condominium Properties violated the market valuation standard codified by s. 163(f.1) of the *Cities Act.* Mainstreet contends that the Committee's basis for its decision – that the market valuation standard requires the fee simple interest of each property to

be valued individually – ignores the requirements of comparability, as well as the "equity test" set out in s. 165(3) of the *Cities Act* and is therefore erroneous at law.

[17] I am not persuaded by Mainstreet's argument. The *Cities Act* and the *CPA* require that the fee simple interest of each condominium unit must be valued individually and this requirement is not trumped by any decision of the owner to encumber the Condominium Properties by a single mortgage. In addition, the Committee did not err when it determined, on the facts of this case, that the controlling factor of equity was not violated by the City's assessment and that the Condominium Properties were not comparable to an apartment property. I will expand upon these two conclusions.

[18] As I said, there are two key considerations that are foundational to the Committee's correct conclusion in this case. The first is the requirement of the governing legislation. The second is the factual and legal matrix that demonstrates the City's original assessment did not overlook equity or comparability.

[19] Section 93(2) of the *CPA* expressly requires that every condominium unit be assessed individually. Section 93 states:

> **Assessment of parcel**
>
> **93**(1) In this section and in section 97:
>
> (a) **"parcel"** includes improvements;
>
> (b) **"unit"** includes:
>
> (i) the owner's share of the common property;
>
> (ii) in the case of a unit used for residential purposes, any parking unit or parking space designated pursuant to section 11; and
>
> (iii) in the case of a bare land unit, the improvements to the unit.
>
> (2) Notwithstanding the assessing Act or any other Act, if the Saskatchewan Assessment Management Agency or any other assessing authority causes a parcel to be assessed pursuant to an assessing Act, a separate assessment must be made of each unit except parking units designated pursuant to section 11.

[20] The *CPA* also demands that each condominium title be held in fee simple: s. 5(2). This provision corresponds with s. 163(f.1)(ii) of the *Cities Act*, which requires that the market value of the estate in fee simple is what must be assessed.

[21] This Court has explained the meaning of fee simple in a property in the context of property tax assessment as including the land and improvements. In *Affinity Holdings Ltd. v Shaunavon (Town)*, 2022 SKCA 83 [*Affinity*], the Court stated:

> [191] When this is all pulled together, the term *estate in fee simple* has a clear meaning in the context of assessment law and practice. It is a property owner's titled interest in the land and the improvements made to the land.

[22] Further, the *Cities Act* defines "market valuation standard" as comprising four parts requiring: (i) mass appraisal; (ii) an estimate of the market value of the estate in fee simple in the property sold in a competitive and open market; (iii) a reflection of typical market conditions for similar properties (the requirement of comparability); and (iv) quality assurance standards inherent in the manner of the assessment: see s. 163(f.1). Because the four requirements of the market valuation standard under s. 163(f.1) are joined by the conjunctive "and", this means that the assessment of property must, among other things, ensure the estimate of the market value of the estate in fee simple reflects typical market conditions of the fee simple of similar properties.

[23] All of this reinforces the correctness of the Committee's conclusion that, because the *Cities Act* requires an owner's land and improvements to be assessed, and because each condominium title in the group of Condominium Properties is held in fee simple, each of the Condominium Properties must be assessed individually so that its assessment properly estimates the value of the fee simple estate.

[24] Nevertheless, Mainstreet argues the Committee erred by failing to adequately consider that the Condominium Properties are encumbered by a single mortgage and, therefore, currently cannot be bought and sold individually as other condominium units can. It suggests that the individual condominium units could have been valued based on portions of an aggregate value reached by applying a multi-family assessment model. It says the Committee ignored the requirements of comparability by not placing weight on the way the actual usage of the Condominium Properties would dictate how they traded in the marketplace. Mainstreet contends that this could be said to violate ss. 165(3) and (5) of the *Cities Act*, which together state that the "dominant and controlling factor in the assessment of property is equity" and that equity in "non-regulated property assessments is achieved by applying the market valuation standard so that the assessments bear a fair and just proportion to the market value of similar properties as of the applicable base date."

[25] As I will explain, I am not persuaded by this argument for several reasons.

[26] First, the requirement for assessed properties to be comparable stems from clause 163(f.1)(iii) of the *Cities Act*, which refers to "typical market conditions for similar properties": see *Affinity* at paras 201-210. Section 165(5) of the *Cities Act* requires assessments to "bear a fair and just proportion to the market value of similar properties". However, s. 93(2) of the *CPA*, which requires separate assessments of each condominium unit, applies notwithstanding the *Cities Act*. Therefore, the legislated requirement to individually assess each condominium unit supersedes any argument that comparability requires the whole building to be assessed pursuant to the market valuation standard defined by the *Cities Act*.

[27] Second, I agree with the City that if, in the alternative, s. 93(2) of the *CPA* does not supersede the *Cities Act*, then Mainstreet's position results in an absurdity as it renders the requirement to assess the fee simple (s. 163(f.1)(ii)) meaningless, contrary to the "no tautology" principle of statutory interpretation.

[28] Third, Mainstreet is contending that the business value to the owner and/or to the mortgaged interest of the Condominium Properties should be assessed. Value to the owner or business value is not relevant when assessing property for taxation purposes: *Sun Life v City of Montreal*, 1950 CanLII 29, [1950] SCR 220 at p 223 (SCC). The fee simple does not include value to the owner or business value, rather it is dependant on market forces. A business decision taken by an owner to mortgage its property in the way the Condominium Properties are subject to a mortgage is not relevant when assessing the value of properties under the *Cities Act* or the *CPA*. In other words, simply because Mainstreet chose to retain the fee simple ownership in each of the Condominium Properties and rent them to tenants for business purposes does not alter the application of the legislation: see *Centre at Circle & Eighth Property Inc. v Saskatoon (City)* (11 June 2024), Saskatoon CACV4071 (SKCA).

[29] In summary on this point, the Committee correctly addressed comparability and determined the Condominium Properties were titled separately and were, therefore, not comparable to apartment buildings with multiple units but with one title for the whole of the property. The Committee expressly held that valid comparators to the Condominium Properties were other individual condominium units, concluding:

> [33] Additionally, there was no argument before the Board that the subject properties were not residential condominiums. The City's model applied data from over 2,000 validated residential condominium sales to determine the subjects' assessments. In so doing, the Assessor applied a model that was not incorrect. The Board further erred in overturning the assessments that both reflected the fee simple interest in the properties and maintained equity as defined in the [*Cities*] *Act*.

[30] The Committee based its reasoning on a correct interpretation of the governing legislation and did not err in its consideration of comparability as it affects the market valuation standard.

[31] It follows that this ground of appeal must fail.

B. The Committee did not err in its reasonableness review of the Board's decision

[32] As noted, Mainstreet has been given leave to argue that the Committee erred when it held that the Board ignored the factual matrix, argument, and explanation of the assessment before it. Upon consideration, this ground of appeal has no merit. This is not a case that turned on the details of the facts or evidence. Rather, the outcome, before the Committee and now in this Court, is a product of the legal implications that flow from the undisputed fact that there were 192 separate legal titles to the properties that were subject to the municipal assessments at issue.

[33] To the extent this ground of appeal is intended to take issue with the distinctions that the Committee identified between this case and *PR Investments* and *Prince Albert*, it also has no merit. The Committee did not make a "sweeping declaration of error". On the contrary, it identified and explained the Board's error in relying on past authority that was distinguishable when it stated as follows:

> [40] However, the Board's reliance on our previous decisions at paragraph [32] of its decision from different municipalities and different, earlier assessment cycles as being "considerably higher precedential decisions" is questionable, particularly when it appears that the Board ignored the factual matrix, argument and explanation of the assessment before it in so doing (HB p. 1821). While previous decisions can (rightly or wrongly) provide guidance, in our view it is an error of the Board for it to place such considerable weight on those decisions over the matters and issues raised before it.

[34] In short, the Committee found that *PR Investments* and *Prince Albert* were not applicable authorities to this matter because they did not consider the legislated requirement to estimate the market value of the fee simple estate in the property or the provisions of the *CPA* particular to the

assessment of condominium units, nor were they on all fours with the facts of the case before the Board.

[35] It follows that the Committee did not err in law when it found that the Board erred by ignoring the factual matrix and essential aspects of the argument before it. There was no error in the way in which the Committee undertook its review of the Board's conclusions that were reviewable on a reasonableness standard, nor was there an error in the Committee's conclusion that the Board's decision must be overturned. This ground of appeal must also fail.

IV. CONCLUSION

[36] In the result, I would dismiss the appeal and award costs to the City on both the application for leave and for the appeal, in the usual manner.

"McCreary J.A."

McCreary J.A.

I concur.

"Leurer C.J.S."

Leurer C.J.S.

I concur.

"Kilback J.A."

Kilback J.A.