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# LAND VALUE APPEAL

## Land Application Policy

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### OBJECTIVE

To provide land applicants a fair and open process for the review of appraised land values of individual land applications. This policy does not apply to the developed lot sales program.

### PURPOSE

To ensure that purchase price and rent charged by the Lands Branch reflects appraised market values.

### BACKGROUND

The Yukon government is required to price land at appraised market value and to lease land at 10% of market value.

Client Services, Lands Branch uses the services of Community Services, Property Assessment and Taxation to provide market values, as well as private appraisers, where needed.

Land values are only valid for one year from date of valuation.

The Land Value Appeal Policy and process does not diminish an applicant's responsibility for all development costs, including survey costs.

### POLICY

- ✓ An applicant may request a review of the land value provided by Client Services, Lands Branch (this is the first opinion of value).
- ✓ The applicant may contract a private appraiser to conduct a second opinion of value.
- ✓ Where an applicant requests a second opinion of value, up to \$500.00 of the cost will be deducted from the agreed price of the land. For an opinion that costs more than \$500.00, the additional cost will be shared on an equal basis by the applicant and government to a maximum additional cost of \$500.00 (\$250 per party). Costs above \$1000 will be paid by the applicant.
- ✓ If the second opinion is lower and varies no more than 10% from the first opinion, the second opinion of value will be used to establish the price.
- ✓ If the second opinion varies more than 10% from the first opinion, Lands Branch may establish the price between the 1<sup>st</sup> and 2<sup>nd</sup> opinion or obtain a third independent valuation.

## **PROCEDURES**

1. The applicant may, after receiving the purchase or lease price, forward a letter to the Manager, Client Services requesting a review. The request must include supporting rationale such as:
  - ✓ Topography issues;
  - ✓ Site development work undertaken by the applicant (only prior approved work is eligible);
  - ✓ Access issues; or
  - ✓ Effective date of appraisal.
2. Upon receipt of the request, Manager, Client Services will ask Property Assessments and Taxation or a private accredited appraiser to undertake a review of the original value.
3. The reviewer will:
  - ✓ Review reasons for request;
  - ✓ Undertake a site inspection, if required;
  - ✓ Include the applicant in site inspection or preliminary discussions, if required; and
  - ✓ Provide the Lands Branch a new estimate of value or reason for maintaining the original value.
4. Manager, Client Services will advise the applicant of the results of the review and provide an opportunity for the applicant to meet with appraiser.
5. If there is no resolution, the applicant may hire a private accredited appraiser that meets Appraisal Institute of Canada standards to provide a second opinion of value.
6. Client Services is responsible for providing the instructions for the second opinion of value to the appraiser and will copy the applicant.
7. The applicant will forward a copy of the private appraiser's report to the Manager, Client Services, Lands Branch.
8. Lands Branch will review the appraiser's report, make a determination of value and forward the decision to the applicant.
9. Appraisal costs will be reimbursed under the terms of this policy only if the applicant has initiated a review in accordance with this policy. Appraisals contracted by the applicant for personal interest, financing, or other reasons will not be reimbursed.