

Income Approach to Value

Which Properties may be valued using the Income Approach to Value?

The Income Approach to Value can be used to determine the assessed values for the following properties:

- Commercial
- Offices
- Multi-Residential

What is the Income Approach to Value?

The Income Approach to Value (also referred to as the “*rental* income” approach) is used to estimate market value-based assessments by analyzing the anticipated future benefits or income from a property and converting this income into an estimate of present value.

How did you get the information to assess my property?

The Income Approach uses several years of data to stabilize a property’s income and expenses. As well, tenants’ rents and expenses can change from year to year. The Income Approach produces stable and fair assessments when there are regular submissions of up-to-date, accurate and comprehensive property rent and expense data from rented and leased properties. Because of the importance of property rental data, income and expense requests are sent annually to property owners; there is a legislative requirement for property owners to provide this information.

Does the Income Approach to Value consider the income of my business?

No, the Income Approach does not consider the income from your business. The Income Approach considers only the income related to the real estate (what the property is or can be rented for).

Will the Income Approach to Value apply to my property which I own and do not rent?

Yes. The Income approach estimates value of a property based on the income and expenses of similar properties. If the property is a type of property that is typically rented, the Income Approach could be applied. The Income Approach would be applied to appropriate groups of properties regardless of whether individual properties are rented or owned.

Will the Income Approach to Value remove the wide variability in taxes from revaluation to revaluation?

While the Income Approach will provide more stability than the market-adjusted Cost Approach, there will continue to be a redistribution of taxes in reassessments. The Income Approach will reflect what has occurred in the real estate market, and as there are fluctuations in the real estate market this will be reflected in the values produced by the Income Approach.

For more information about 2025 Revaluation:

Web: Regina.ca (Assessment & Tax)

Call: 306-777-7000 option 2