



Corporate *NO: R163*

Report *COUNCIL DATE: July 16, 2001*

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **June 25, 2001**

FROM: **General Manager, Engineering** FILE: **0557-001**

SUBJECT: **Appraisal of Lots in the Cranley Place Mobile Home Subdivision (2100 - 2200 Cranley Drive)**

RECOMMENDATION

That Council approve the appraised values for the lots in the Cranley Drive Mobile Home subdivision for the period of July 1 to December 31, 2001, as follows:

| Type of Pad | Total No. of Pads | Present Appraised Values (January 1 – June 30, 2000) | Proposed Appraised Values (July 1 – December 31, 2001) |
|-------------|-------------------|---|---|
| Single-Wide | 62 | \$63,000 | \$62,000 |
| Double-Wide | 57 | \$72,000 | \$70,000 |

BACKGROUND

Further to City Policy No. P-8: Sale of Lots - Cranley Drive Mobile Home subdivision (Cranley Place), biannual appraisals are required to determine the value of a 10% transfer fee that the City receives upon the sale of each mobile home lot in Cranley Place.

Cranley Place was developed by the City in 1975 on a 6.6 hectare (± 16 acre) site to provide 119 individually owned lots for senior citizens. In order to recoup the City's investment in the Cranley Place subdivision, any resale of a mobile home lot is subject to the City collecting a transfer fee of 10% of the appraised value from the seller as part of the sale price. Prices of the mobile homes vary and are negotiated privately by the seller and the purchaser.

DISCUSSION

An independent accredited appraiser has reviewed the sales of mobile home lots adjacent to and in Cranley Place and placed the value of single-wide lots at \$62,000 and double-wide lots at \$70,000 for the period of July 1 to December 31, 2001. The appraisal has concluded a slight decrease in both single-wide and double-wide lot values from the previously appraised values for the first half of 2001.

Based on the appraised values, the City would receive \$6,200 for every sale of a single-wide mobile home lot and \$7,000 for every sale of a double-wide lot during the second half of 2001.

CONCLUSION

City Policy P-8 requires that biannual appraisals be completed to identify the current values of single-wide and double-wide lots in Cranley Place. The City obtains a transfer fee of 10% of the sale price of each lot sale as a means of recapturing the development cost of the subdivision. Based on the current appraisal, it is recommended that Council approve the appraised values of \$62,000 (single-wide) and \$70,000 (double-wide) as the values for the period July 1, 2001 to December 31, 2001.

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Appendices

- I. Location Map
- II. Site Map
- III. Aerial Photograph of Site
- IV. Appraisal Information
- V. City Policy No. P-8