

VILLAGE OF RYCROFT
CENTRAL PEACE COMPOSITE ASSESSMENT REVIEW BOARD

DECISION WITH REASONS

In the Matter of the Municipal Government Act being Chapter M26 of the Revised Statutes of Alberta 2000 (Act)

And in the Matter of an assessment complaint filed with the Village of Rycroft 2011 Assessment Review Board.

Between:

CNK Holdings Ltd. - Complainant

-and-

Village of Rycroft - Respondent

Before:

J. Schmidt, Presiding Officer
C. Clarke, Member
A. Hubert, Member

This is an assessment complaint decision of the Composite Assessment Review Board from a hearing held in the Saddle Hills County office on December 16, 2011 respecting a property assessment entered in the assessment roll of the Respondent municipality as follows:

Roll No.	499000
Assessed Value	\$125,000
Legal Description	Lot 1 Plan 8922532

Appearances:

Complainant	Not in attendance
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Respondent	Dean Cooper, Appointed Municipal Assessor Gordon Hardy, Municipal Assessor
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Assessment Review Board Clerk	Dianne Nellis
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Background and Property Description

The subject property is a 3.39 acre parcel with a land use designation commercial industrial. This land is part of a subdivision registered in 1989. As of the assessment date all the subdivision development services have not been completed. The subdivision is located at and has exposure to the cross roads of two major provincial highways. The parcel of land at issue has a highway frontage location.

The complaint was filed on the grounds the assessed value is too high.

Issue

Does the assessment fairly reflect the market value of the subject parcel of land as of the assessment year valuation date?

Legislation

In deciding this matter the particular legislative requirement is considered.

Municipal Government Act

1(1) In this Act,

- (n) "market value" means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer;*

289(1) Assessments for all property in a municipality, other than linear property, must be prepared by the assessor appointed by the municipality.

(2) Each assessment must reflect

- (a) the characteristics and physical condition of the property on December 31 of the year prior to the year in which a tax is imposed under Part 10 in respect of the property, and*
- (b) the valuation and other standards set out in the regulations for that property.*

467(1) An assessment review board may, with respect to any matter referred to in section 460(5), make a change to an assessment roll or tax roll or decide that no change is required.

Matters Relating to Assessment and Taxation Regulation AR 220/2004 (MRAT)

1 In this Regulation,

- (f) "assessment year" means the year prior to the taxation year;*

3 Any assessment prepared in accordance with the Act must be an estimate of the value of a property on July 1 of the assessment year.

*4(1) The valuation standard for a parcel of land is
(a) market value, or ...*

Complainant's Position

While the Complainant did not attend the hearing, a written response, dated November 4, 2011 was provided. This response was entered into the record market as Exhibit 1C (7 pages). For the Complainant, Mr. Ron Campbell, submitted six (6) property assessments of industrial land in the Village of Rycroft as comparables. These assessments indicate an assessed value of approximately \$5,000 per acre. By comparison the subject land assessment is based on a value of approximately \$37,000 per acre. On the assessment complaint form, the requested assessed market value was shown as \$50,000 for the subject 3.39 acre parcel.

Respondent's Position

The Respondent submitted that the land assessment is based on sales which occurred within the subdivision. Lots with highway exposure are assessed higher than lots with no highway exposure. Five sales which took place in this subdivision support the assessed values. The subject 3.39 acre lot is located fronting on the highway and sold at \$135,000 in March 2009. In support of the submission Exhibit 1R (2 pages) was entered into the record.

With respect to the Complainant's comparables, it was argued that those properties are not similar in location to the subject and they are smaller in size, therefore are not comparable for property assessment purposes.

In closing, it was requested that since the subject property sold at \$135,000, the assessment at \$125,000 is a reasonable indication of market value and should be confirmed as the fair and equitable assessment.

Findings

Having given careful consideration to the evidence, argument and facts, which came forward in this case, the Board finds the property assessment at issue fairly represents the market value as of the assessment year valuation date.

Decision

In consideration of this finding the complaint is not allowed for the following reasons.

Reasons

Since the comparable property assessments are not located having highway frontage and are smaller in size the Board accepts the Respondent's position that they are not similar for assessment purposes. The sale of the subject property at \$135,000 supports the assessment at

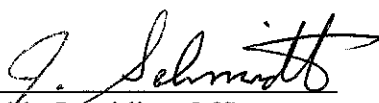
\$125,000. The sales evidence is compelling and the Board is satisfied that the assessed value in this case is reasonable.

The assessment is therefore confirmed at \$125,000.

It is so ordered.

No cost to either party.

Dated at the City of Edmonton, in the Province of Alberta this 13th day of January 2012.



Jack Schmidt, Presiding Officer

An appeal may be made to the Court of Queen's Bench in accordance with the Municipal Government Act as follows:

470(1) An appeal may be made to the Court of Queen's Bench on a question of law or jurisdiction with respect to a decision of an assessment review board.

470(2) Any of the following may appeal the decision of an assessment review board:

- (a) the complainant;*
- (b) an assessed person, other than the complainant, who is affected by the decision;*
- (c) the municipality, if the decision being appealed relates to property that is within the boundaries of that municipality;*
- (d) the assessor for a municipality referred to in clause (c).*

470(3) An application for leave to appeal must be filed with the Court of Queen's Bench within 30 days after the persons notified of the hearing receive the decision, and notice of the application for leave to appeal must be given to

- (a) the assessment review board, and*
- (b) any other persons as the judge directs.*