

Edmonton Composite Assessment Review Board

Citation: Andy Taschuk v The City of Edmonton, 2013 ECARB 00152

Assessment Roll Number: 5061809

Municipal Address: 11811 45 STREET NW

Assessment Year: 2013

Assessment Type: Annual New

Between:

Andy Taschuk

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF

Shannon Boyer, Presiding Officer

Pam Gill, Board Member

John Braim, Board Member

Procedural Matters

[1] Upon questioning by the Presiding Officer, the parties indicated no objection to the Board's composition. In addition, the Board Members indicated no bias with respect to this file.

[2] The Complainant was not present and had not contacted the Respondent nor the Assessment Review Board.

Preliminary Matters

[3] The Respondent asked that the Appeal be dismissed as the Complainant was not present.

[4] The Board recessed and examined the file. The Complainant had filed disclosure and the Board decided to proceed with the Hearing and noted that personal attendance is not required.

Background

[5] The subject property is a four-plex, with an effective year built of 1965. It is located in the Beacon Heights Neighbourhood and has one 1 bedroom and three 2 bedroom suites. The gross building area is 387 square meters (sq.m). The current assessment is \$555,000 but there is a recommendation to reduce the 2013 assessment to \$546,000.

Issue(s)

[6] Is the subject assessed correctly?

Legislation

[7] The *Municipal Government Act*, RSA 2000, c M-26, reads:

s 1(1)(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;

s 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.

s 467(3) An assessment review board must not alter any assessment that is fair and equitable, taking into consideration

(a) the valuation and other standards set out in the regulations,

(b) the procedures set out in the regulations, and

(c) the assessments of similar property or businesses in the same municipality.

[8] The *Matters Relating to Assessment Complaints Regulation*, AR 310/2009, reads:

Personal attendance not required

16(1) Parties to a hearing before an assessment review board may attend the hearing in person or may, instead of attending in person, file a written presentation with the clerk of the assessment review board.

(2) A party who files a written presentation under subsection (1) must provide a copy of it to the other parties,

(a) in the case of a hearing before a local assessment review board, at least 3 days before the hearing;

(b) in the case of a hearing before a composite assessment review board, at least 7 days before the hearing.

Position of the Complainant

[9] The Complainant submitted written evidence for the Board’s review and consideration (Exhibit C-1, 27 pages).

[10] The Complainant provided 4 sales comparables that ranged from \$414,000 to \$538,000 (C-1, pages 12-21). The first three sales comparables are located in the same neighbourhood as the subject and the fourth sale is located in Newton, 5 blocks away from the subject. The subject property was assessed at \$555,000 and the Respondent has recommended a reduction in the assessment to \$546,000.

[11] On the Complaint Form, the Complainant stated that they have tried to sell the subject for the past 2 years without any luck and that the realtor has suggested that the price be listed at \$425,000.

[12] The Complainant also submitted that the subject does not generate high rents and that the method the Respondent used to calculate the value of the property does not take into account expenses generated by the property.

[13] The Complainant did not include a requested value in their disclosure; however, the Complaint Form stated a requested value of \$410,000.

Position of the Respondent

[14] The Respondent presented written evidence (Exhibit R-1, 47 pages) and oral argument for the Board's review and consideration.

[15] The Respondent reviewed Mass Appraisal technique and submitted that the Income Approach is the method used when valuing income producing properties (R-1, pages 4-8)

[16] The Respondent provided the current MLS listing for the subject, which indicated it is listed at \$575,000 as of June 25, 2013. The Respondent advised that the listing was checked on the morning of the hearing and the subject was still listed at \$575,000.

[17] The Respondent informed the Board that in the assessment there was an error in the suite mix and gross building area of the subject (R-1, page 21). The Respondent made the correction (R-1, page 22) and they are requesting a reduced assessment amount from the original assessment of \$555,000.

[18] The Respondent analyzed the Complainant's comparable sales as follows:

- i. Comparable Sale #1: duress sale
- ii. Comparable Sale #2: post facto sale
- iii. Comparable Sale #3: property was water damaged and required \$100,000 worth of repair
- iv. Comparable Sale #4: this sale is common to both the Complainant and the Respondent and is a valid sale.

[19] The Respondent provided 4 sales comparables that ranged from a time adjusted sale price of \$136,115/suite-\$191,017/suite (R-1, page 28). The subject is assessed at \$136,500/suite.

[20] The Respondent also provided 3 equity comparables that ranged from \$134,625/suite to \$145,625/suite.

[21] The Respondent submitted that the subject falls within the range of both the sales and the equity comparables and therefore requested that the 2013 assessment be reduced to \$546,000.

Decision

[22] It is the decision of the Board to accept the recommendation of the Respondent and reduce the 2013 assessment to \$546,000.

Reasons for the Decision

[23] The Board considered the evidence put forward by both the Complainant and the Respondent.

[24] The Board finds that the Income Approach was the correct method of assessing the subject. The Complainant did not produce any evidence to convince the Board that there was a flaw in the methodology of assessment.

[25] The Complainant submitted that they have been trying to sell the subject for the past 2 years, however, no evidence of these efforts or the realtor's recommendations were disclosed. The Respondent produced the active MLS listing for the subject showing that the property is listed at \$575,000 and that no reduction in the price is indicated (R-1, page 24).

[26] The Board found that the MLS listing contradicted the Complainant's statements. No attempts to reduce the price have been made and there is a discrepancy between the list price of \$575,000 and the requested assessed value of \$410,000, which the Board cannot reconcile.

[27] Furthermore, the Board placed little weight on the Complainant's sales comparables for the reasons set out in paragraph 17.

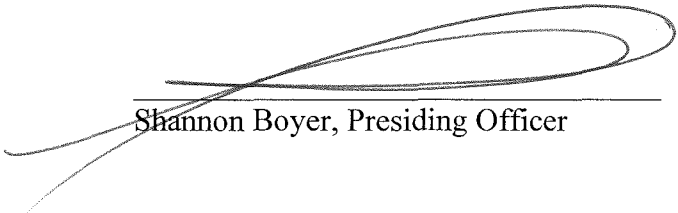
[28] The Board found the Respondent's sales and equity comparables supported the assessment at \$546,000.

Dissenting Opinion

[29] There was no dissenting opinion.

Heard commencing July 24, 2013.

Dated this 13 day of AUGUST, 2013, at the City of Edmonton, Alberta.



Shannon Boyer, Presiding Officer

Appearances:

Amy Murphy

Colleen Kutcher

for the Respondent

This decision may be appealed to the Court of Queen's Bench on a question of law or jurisdiction, pursuant to Section 470(1) of the Municipal Government Act, RSA 2000, c M-26.