

TOWN OF HIGH RIVER

ASSESSMENT REVIEW BOARD DECISION

In the matter of a complaint against the property assessment as provided by the *Municipal Government Act*, RSA 2000, Chapter M-26.

Between: Courtney & Mathew Sheard Complainant

And: Stewart Dalrymple Town of High River Respondent

Before: Mr. Robert Bennington Presiding Officer
Mr. Thomas Crawford Member
Mr. Hank Leeferink Member

Ms. Emma Grady LARB Clerk

This is a complaint to the Town of High River Assessment Review Board with respect to the property assessment prepared by the Assessor of the Town of High River and entered into the 2018 Property Assessment Roll as follows:

Roll Number: 126000

Location Address: 323 4th Avenue SE, High River, Alberta

Registered Owners: Courtney & Mathew Sheard

Original Assessment: \$471,000.00

The complaint was heard on the 25 day of October, 2018, in Council Chambers located at 309 Macleod Trail SW, High River, Alberta.

Appeared on behalf of the Complainant: Courtney and Mathew Sheard

Appeared on behalf of the Respondent: Mr. Stewart Dalrymple, Ms. Suzanne Roy

Property Description: Residential Home

Issues:

The primary issues outlined by the Complainant were as follows:

1. The current amended assessment of \$471,100 was believed to be too high.
2. The complainant was concerned that the amended assessment had risen \$49,100 from 2014-2017 in a market that had not changed significantly.
3. The complainant argued that assessments of similar properties outside the water tower community provide a relevant comparison for the valuation of said property.

The parties present did not object to the panel representing the Board as constituted to hear the assessment complaint.

Legislative Authority, Requirements and Considerations:

The Board derives its authority to make this decision under Part 11 of the Municipal Government Act (the Act).

LEGISLATION

**MUNICIPAL GOVERNMENT ACT
RSA 2000 Chapter M-26**

Interpretation

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;

Assessment of Property

Interpretation provisions for Parts 9 to 12

284(1) In this Part and Parts 10, 11 and 12,

(c) "assessment" means a value of property determined in accordance with this Part and the regulations;

Assessments for property other than linear property

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

(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.

Duties of assessors

293(1) In preparing an assessment, the assessor must, in a fair and equitable manner,

- (a) apply the valuation and other standards set out in the regulations, and
- (b) follow the procedures set out in the regulations.

MATTERS RELATING TO ASSESSMENT AND TAXATION REGULATION (MRAT) ALBERTA REGULATION 220/2004

Definitions

1 In this Regulation,

- (a) "Act" means the Municipal Government Act;
- (k) "mass appraisal" means the process of preparing assessments for a group of properties using standard methods and common data and allowing for statistical testing;

Part 1

Standards of Assessment

Mass appraisal

- 2 An assessment of property based on market value
- (a) must be prepared using mass appraisal,
 - (b) must be an estimate of the value of the fee simple estate in the property, and
 - (c) must reflect typical market conditions for properties similar to that property.

Valuation date

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.

Valuation standard for a parcel of land

- 4(1) The valuation standard for a parcel of land is
- (a) market value, or
 - (b) if the parcel is used for farming operations, agricultural use value.

Valuation standard for a parcel and improvements

6(1) When an assessor is preparing an assessment for a parcel of land and the improvements to it, the valuation standard for the land

and improvements is market value unless subsection (2) or (3) applies.

Quality standards

10(1) In this section, "property" does not include regulated property.

(2) In preparing an assessment for property, the assessor must have regard to the quality standards required by subsection (3) and must follow the procedures set out in the Alberta Assessment Quality Minister's Guidelines.

(3) For any stratum of the property type described in the following table, the quality standards set out in the table must be met in the preparation of assessments:

Property Type	Median Assessment Ratio	Coefficient of Dispersion
Property containing 1, 2 or 3 dwelling units	0.950 - 1.050	0 - 15.0
All other property	0.950 - 1.050	0 - 20.0

MAIN ISSUES

Summary of Complainant's Evidence:

The Complainant's evidence consisted of the complaint form and:

- 14 sales comparables from a variety of locations in High River in 2017
- An appraisal report from Feb. 2016 indicating a valuation of \$450,000
- A list of 12 sales from 2018 (to illustrate a flat real estate market).

The Respondent also included several documents including:

- A description of the property including:
 - Specific property details
 - Neighborhood location
 - Time adjustment (indicating little change in value 2014-2017)
- Property comparable information including:
 - Sales comparables (a listing of a home near subject property).
 - Listings of three homes in the Tower Hill Community.
 - Assessment comparable, spreadsheet and photos
 - A map of comparable
- Information on the process of valuation of property in High River.

Board Findings – Primary Matter:

1. Both parties noted the fact that no sales in the assessment period in this community make finding suitable comparables difficult.
2. The fact that the subject property has a detached garage and a larger lot would increase the value of the property and the assessment amount.
3. Because there are no direct sales in the immediate community (which is a mix of property types), it is reasonable to look at sales in other areas of town.
4. The average assessment comparable price/sq.ft. provided by the respondent of approximately \$290 and the average sales price differential of 14 properties provided by the complainant indicate that this property is assessed too high.

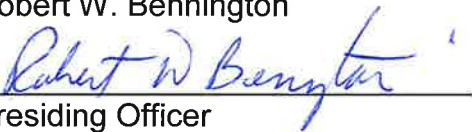
Board Decision – Primary Matter:

Based on the considerations outlined above the Board:

1. Recommends further fine tuning of valuation of property for the purpose of assessment in the Tower Hill Community based on sales.
2. Confirms that a fair and equitable assessment value for 323 4th Ave. SE at \$450,000

Dated at the Town of High River, in the Province of Alberta, this 29th day of October, 2018

Robert W. Bennington


Presiding Officer

An appeal to this decision lies to the Court of Queen’s Bench on a question of law or jurisdiction provided an application for leave to appeal is made within sixty (60) days.