
Complaint ID 0262 1396
Roll No. 30001712170

LOCAL ASSESSMENT REVIEW BOARD DECISION
HEARING DATE: Wednesday, June 2nd, 2021

PRESIDING OFFICER: R. Schnell
BOARD MEMBER: R. Brown
BOARD MEMBER: S. Roberts

BETWEEN:

LAWRENCE STEVENS

Complainant

-and-

REVENUE & ASSESSMENT SERVICES
For The City Of Red Deer

Respondent

This decision pertains to a complaint submitted to the Central Alberta Regional Assessment Review Board in respect of a property assessment prepared by an Assessor of the City of Red Deer as follows:

ROLL NUMBER: 30001712170

MUNICIPAL ADDRESS: #301 4512 – 52nd Ave Red Deer, Alberta

ASSESSMENT AMOUNT: \$ 182,200

The complaint was heard by the Central Alberta Assessment Review Board on the 2nd day of June 2021, via Video Conference within the province of Alberta.

Appeared on behalf of the Complainant: Lawrence Stevens

Appeared on behalf of the Respondent: Steve Beveridge, Senior Property Assessor, City of Red Deer
Gail Bukva, Property Assessor, City of Red Deer

DECISION: The assessed value of the subject property is changed to \$150,000.

JURISDICTION

- [1] The Central Alberta Regional Assessment Review Board [“the Board”] has been established in accordance with section 455 of the *Municipal Government Act*, RSA 2000, c M-26 [“MGA”] and the City of Red Deer bylaw.

PROPERTY DESCRIPTION AND BACKGROUND

- [2] The subject property has a civic address of #301 4512 – 52nd Ave Red Deer, Alberta. The subject property is one of 140 condominium apartment units in an adult apartment building known as the Sierras on Taylor. The subject unit is one bedroom and has one bathroom, air conditioning, fireplace and in-suite laundry. The adult only building itself has a pool and a social room.

PRELIMINARY MATTERS

- [3] The Presiding Officer confirmed that no Board Member raised any conflicts of interest with regard to matters before them.
- [4] Neither party raised any objection to the panel hearing the complaint.
- [5] No additional preliminary or procedural matters were raised by any party. Both parties indicated that they were prepared to proceed with the complaints.
- [6] The Board confirmed the submissions of the Parties and entered the exhibits identified in Appendix “A” into the record.

POSITION OF THE PARTIES**Position of the Complainant**

- [7] The Complainant stated that the subject property was assessed at \$182,200 and he felt it should be assessed at \$150,000.
- [8] The Complainant indicated that the subject property was twenty-one years old and has not received any remodeling or updates since the property was built.
- [9] The Complainant reported the property needs new flooring, there are cracks in the walls and the patio door requires repair as noted in the Complainant’s disclosure package.
- [10] The Complainant provided units #101 and #201 which are the same size as unit #301 and are directly underneath the subject unit as Comparables.
- [11] Unit #101 had been listed at \$151,777 and was sold on December 6, 2019, for \$145,000.
- [12] Unit #201 sold just outside of the assessment year cut-off date for \$155,000.

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- [13] The Complainant had stated that units #101 and #201 were in better shape than the subject property. The Complainant had viewed unit #201 and observed that the appliances were newer, and the flooring had been replaced.
- [14] According to the Complainant Unit #402 (62.6 sm/674/sf) which was slightly smaller than the subject unit (64.9sm/699sf) was sold on December 13th, 2019, for \$150,000.
- [15] The Complainant also used Unit #436 as a comparable. The unit sold on March 23rd, 2021, for \$155,000.
- [16] The Complainant argued that the assessment values were not following market values.
- [17] The Complainant also argued that the condition of the unit should be considered when determining assessment.

Position of the Respondent

- [18] The Respondent indicated that the initial assessment was \$182,200 but after reviewing the file, requested the Board confirm a reduced assessment of \$173,000.
- [19] The Respondent indicated they had confirmed the details of the property on July 25th, 2017, and the file indicated that the unit was in standard custom condition, it had one bedroom and one bathroom, had assigned underground parking, fireplace, in-suite laundry and was 65.96sm/710sf. The building is an adult building and has a social room and a swimming pool.
- [20] The Respondent argued that the first comparable used by the Complainant unit #101 should not be considered because it was an estate sale. The new owners were outside the country and the opinion of the Respondent is that the property was liquidated expediently and as such the owner(s) may not have tried to achieve market value but rather wanted a quick sale.
- [21] The Respondent indicated that the second comparable, unit #201, was sold outside of the assessment year and was not used in the analysis.
- [22] The Respondent indicated that the sale of unit #402 which sold on December 13th, 2019, for \$150,000 was used in the analysis; however, the comparable of unit #436 was not used as the sale was outside of the assessment year.
- [23] The Respondent indicated that the mass appraisal method was used to demonstrate the equity of the subject property. There are 140 units in the subject building, Sierras on Taylor. The assessments ranged from \$170,000 to \$300,100. The median size of the units was 958 sq. ft. The median assessment was \$258.18/ sq. ft. and it was indicated the assessment of the subject property at \$256.62/ sq. ft. was slightly lower than the median.
- [24] The Respondent provided Comparable 1, a one-bedroom unit at 417, 6 Michener BL (Sierra on Michener). The unit has in-suite laundry, and air conditioning. It sold on June 11th, 2019, for \$201,000 and included titled parking in the sale with an adjusted price being \$185,300.

- [25] The second comparable provided by the Respondent was #412, 6 Michener BL. which also had in-suite laundry, air conditioning and titled parking. It sold on November 15th, 2019, for \$201,000 with an adjusted price being \$187,500.
- [26] The Respondent's third comparable was Unit #216, 4805 – 45 St. (Sierra Grand). It is a one bedroom, in an adult building with a fireplace, air conditioning and in-suite laundry but no titled parking. It has negative impact from traffic on Gaetz Ave. It sold on April 29th, 2020, for \$165,000 with an adjusted price being \$160,900.
- [27] The Respondent provided a fourth comparable, unit #403, 4512 – 52nd Ave. in the same building as the subject property. It is west facing the downtown, has one bedroom, a fireplace, air conditioning but no titled parking. It sold on June 13th, 2018, for \$211,800 with an adjusted price of \$199,200.
- [28] Comparable 5 was a one-bedroom unit #402, 4512 – 52nd Ave. (Sierras on Taylor). It too has one bedroom with fireplace, in-suite laundry, and air conditioning but it has negative traffic influence from Taylor Dr. It sold on January 29th, 2020, for \$150,000 with the adjusted price being \$146,700.

BOARD FINDINGS and DECISION

- [29] The Complainant noted that the subject property was in inferior condition; however, the Board found that no data was provided to support the value of these perceived deficiencies.
- [30] The Board finds that Unit 402 in Sierras on Taylor was identified by both the Complainant and the Respondent as being a good comparable, and the Board agrees with that assessment. Unit 402 is in the same complex as the subject property and its characteristics are in all respects similar to those of the subject property. Unit 402 was sold on January 29th, 2020, for \$150,000 with an adjusted price of \$146,700.
- [31] The Board found that unit #101 was directly underneath the subject property and has the same floor plan and has the same amenities as the subject property. The Respondent however, questioned the validity of this property as a comparable because it was an Estate Sale. The Board found that the Respondent did not provide sufficient evidence for the Board to disregard this sale.
- [32] The Board found discrepancies in the evidence relative to the size of the subject unit. The Complainant indicated that units #101, #201, #301 and #401 were identical. Yet the Complainants evidence indicated variations in the size of the various units from 64.93sm/699sf to 67.35sm/725sf and the Respondent indicated that the subject unit was 65.96sm/710sf.
- [33] The Board found that the sale of unit #403 in the Sierras on Taylor was not the best comparable based on the sale date which was much before the sale of the other units. The Board considered this sale to be an outlier for valuation and as such, the Board gave this comparable little weight.
- [34] The Board considers Unit 216 – 4805 – 45th St. (Sierra Grand) to be a good comparable to the subject property. It sold on April 29th, 2020, for \$165,000 with an adjusted price of \$160,900.

[35] The Board does not consider the Respondent's sales of Units 417 and 412 in Sierras on Michener Hill as good comparables. Those units are in quite a different location within the City of Red Deer and are considerably newer than the Subject property. The Board cites Section 5 of the *Matters Relating to Assessment and Taxation Regulation (MRAT)*:

Mass appraisal

5 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.

[36] The Board considered #101 and #402 in Sierras on Taylor and Unit 216 in Sierra Grand to be the best comparables to the subject property.

[37] The Board found the assessed values of properties in the Sierras on Taylor increased by about \$5000 per floor and there was no evidence presented that the condition of the unit had any influence on the assessed value.

[38] Based upon the properties that the Board considered to be the best comparables to the subject property, the Board analysis demonstrated a range of adjusted sale prices from \$141,800 to \$160,900.

[39] The Board found that the average sale price of the three best comparable properties to be \$149,800 rounded to \$150,000.

DECISION SUMMARY

[40] The Board finds that the assessed value for #301 4512 – 52nd Ave is changed to \$150,000.

[41] Dated at the Central Alberta Regional Assessment Review Board, in the city of Red Deer, in the Province of Alberta this 24th day of June, 2021 and signed by the Presiding Officer on behalf of all the panel members who agree that the content of this document adequately reflects the hearing, deliberations and decision of the Board.



Lori Stubbard (Board Clerk)
for
Robert Schnell, Presiding Officer

If you wish to appeal this decision you must follow the procedure found in section 470 of the MGA which requires an application for judicial review to be filed and served not more than 60 days after the date of the decision. Additional information may also be found at www.albertacourts.ab.ca.

APPENDIX "A"

Documents presented at the Hearing and considered by the Board.

<u>NO.</u>	<u>ITEM</u>
1. A.1	Hearing Materials – 6 pages provided by Clerk
2. C.1	Complainant Submission – 12 pages
3. C.2	Complainant Submission Comparable Properties – 3 pages
4. R.1	Respondent Submission – 34 pages