



CENTRAL ALBERTA REGIONAL
**Assessment
Review Board**

Complaint ID 0377 2058
Roll No. 3805051002

LOCAL ASSESSMENT REVIEW BOARD DECISION
HEARING DATE: JUNE 9, 2025

PRESIDING OFFICER: K. SHANNON
BOARD MEMBER: J. GRAU
BOARD MEMBER: D. WIELINGA

BETWEEN:

DEBRA HOGAN and ALAN CROGHAN

Complainant

-and-

CLEARWATER COUNTY ASSESSMENT SERVICES
for Clearwater County

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 Clear Water County as follows:

ROLL NUMBER: 3805051002
MUNICIPAL ADDRESS: 380072 RANGE ROAD 5-4 (PLAN 8520467, BLOCK 1, LOT 1, 5-5-38-5 NE)
ASSESSMENT AMOUNT: \$450,800

The complaint was heard by the Local Assessment Review Board on the 9th day of June 2025, in Council Chambers at Clearwater County, Alberta.

The Board derives its authority from the Municipal Government Act, R.S.A 2000, Chapter M-26 (the MGA) and related legislation as set out in Appendix "B".

Appeared on behalf of the Complainant: Debra Hogan & Alan Croghan, Property Owners

Appeared on behalf of the Respondent: Rob Kotchon, Amber Hawkings, Murray Hagan, for the Clearwater County Assessment Department

DECISION: The assessed value of the subject property is Changed to \$308,414.

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”].

PROPERTY DESCRIPTION AND BACKGROUND

- [2] The subject property is a 5.04 acres property, residing in the municipality of Clearwater County, located at 380072 Range Road 54. The property consists of a 1976 double wide, mobile home and outbuildings listed as a garage/lean-to, Pole Shed and a Cabin, located at the end of a dead-end road.

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] The Respondent raised one preliminary issue, indicating that they did not receive a copy of the Rebuttal, Exhibit C5. The Board recessed briefly to confirm whether the Exhibit C5 had been provided. Upon returning from recess, the Respondent acknowledged receipt and advised that they did not need additional time to review. The Respondent did not feel disadvantaged by allowing the document. The Board allowed Exhibit C5 to be entered into Exhibit Listings.
- [6] No additional preliminary or procedural matters were raised by any party. Both parties indicated that they were prepared to proceed with the complaints.

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

- [7] The Complainant requested a new assessed value of \$325,000, disagreeing with the current assessment of \$450,800, stating \$189,840 increase over the 2023 assessment value, with no improvements.
- [8] The Complainant stated the cabin was never on previous assessments, currently assessed at \$8,200 and that the value was high considering the current condition of the building with issues of dry rot, being built in the 1950s and needing work to be a useable structure. The Complainant submitted Exhibit C4 for the Board to review, showing pictures of the structure.
- [9] The Complainant argued other out buildings had not been on previous assessments (prior to 2024) and values were high. They were unable to see the true condition of the garage/carport when viewing the property, as it was full of the previous owners’ possessions and remained full until September 2024, after they took possession. The current assessed value is \$17,000. The Complainant argued that the building is a tear down due to its current condition and has unsafe

construction as the work was done by the previous property owner using salvaged materials. Pictures from Exhibit C3 showed a large crack in the floor and construction of the buildings.

- [10] The Complainant stated that the house had increased on the assessment from \$ 72,900 to \$110,000, had no improvements and the roof was not properly constructed, had rotted wood, and was damaged in a windstorm, requiring repairs and not in overall good shape.
- [11] The Complainant submitted four property assessments they felt were comparable to their property by size and structure, including a neighbouring property of 4.99 acres with a land value of \$178 700. They questioned why their land was valued so high. The 2024 assessment notice valued their 5.04 acres at a \$310,000. Both properties are located on a dead-end road and border the same pasture land, but the perimeter of their property is unusable and swampy.
- [12] The Complainant acknowledged on June 4, 2024 they offered near asking price without a full inspection due to the time constraints and the seller's urgency and that they overpaid for the property as it was the only property in their budget. Exhibit C5 shows the sale date as July 3, 2024 and Complainant stated that is the day the transfer of land is official and that was when they received the keys to the subject property.
- [13] In closing, the Complainant stated it was an emotional sale and the seller had to leave. They acknowledge overpaying for the subject property. The Complainant referred to assessments of four comparable properties, including a neighboring property of nearly the same size, location and structures to determine their \$325,000 requested amended assessment value.

Position of the Respondent

- [14] The Respondent presented details of the property, including the following improvements: Manufactured home, a detached garage with attached lean-to, a 3-sided pole shed, a cabin and other sheds. Photographs and the MLS listing were included in Exhibit R1.
- [15] Upon reviewing the Complainant's submissions with additional information pertaining to the subject's conditions and construction were atypical compared to similar properties, the Respondent recommends a revised 2024 assessment value of \$439,700.
- [16] The Respondent noted that under provincial audit standards, assessments must typically fall within 95% to 105% Assessment Sale Ratio (ASR), in alignment with mass appraisal principles. The Respondent stated the subject property's current assessment falls at 98%, further stating the recommended assessed value falls at 95.5%, both within the range of acceptable standards. In response to questions from the Complainants regarding this calculation, the Respondent referred to Exhibit R1, pages 29-31, which compared the \$460 000 sale price to the assessed values and aligned with the data and mass appraisal, consistent with the principles outlined in MRAT Section 14.
- [17] The Respondent highlighted photographs in Exhibit R1, including pictures of the interior and exterior of the subject and improvements and explained to the Board that the structure on Exhibit R1 page 9 is not currently on the assessment.

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- [18] The Respondent referenced the *Affidavit Re Value Of Land* on page 2, Exhibit R1. “*The current value *of the land**, in my opinion is \$460 000” signed on June 27th, 2024* signed by the Complainant and Lawyer/Commissioner for Oaths.
- [19] The Respondent referred to the MGA 284.1(u) to clarify “Structure” and buildings required to be assessed.
- [20] The Respondent cited buildings must be assessed regardless of condition, referencing legislation under the MGA, section 291(1), Rules For Assessing Improvements.
- [21] The Respondent also referenced the valuation date as set out in section 6 of the *Matters Relating to Assessment and Taxation Regulation, 2018*, A.R. 203/2017 (MRAT), which establishes July 1 of the assessment year as the valuation date. The Respondent emphasized the MLS listing and legal documents confirmed the June 4, 2024 sale date. They pointed to Exhibit R1, pages 17, 18, 19 and 23 as evidence of this timeframe.
- [22] The Respondent acknowledged a recommendation to reduce the assessment to \$439,700 based on the characteristics and physical condition of the property on December 31, 2024, in accordance with the MGA section 289(2).
- [23] The Respondent specified that the Complainant is using documents that are not available to the public to support a post facto sale date, legal documents submitted in Exhibit R1 support a sale date in June 2024.
- [24] The Respondent acknowledged that certain features can not be accounted for and can not always be quantified by a comparable and that these factors are not quantifiable in mass appraisal models. The subject property is located at the end of a dead-end road and such properties are uncommon in the area, making a direct comparison to other sales difficult.
- [25] In closing, the Respondent requested a reduction of the assessment from \$450,800 to \$439,700 to reflect for condition of the property improvements.

BOARD FINDINGS and DECISION

- [26] The Board identified a central issue in this matter as the determination of the correct sale date for the subject property, and whether the sale occurred before or after July 1, 2024, the valuation date, as required under section 6 of MRAT. The Board reviewed documents submitted by both parties, including MLS listing, purchase agreement excerpts, and legal documents related to the transfer of land.
- [27] During its review, the Board acknowledged the Complainant’s Exhibit C5, a letter from their Lawyer, dated August 28, 2024 referencing “The transfer of land is now complete...”, and a Closing Date of July 3, 2024. Further, Exhibit C1, page 6 (the first page of a Real Estate Purchase Contract), the Board identified the document was not signed or initialled.
- [28] Given the above, the Board determined that Exhibit C1 page 6 and C5 (a private letter) were given little weight as they were not clear on the date the sale occurred, were not signed or legally binding documents and not part of any public records.

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- [29] The Board reviewed the Respondent's Exhibit R1, specifically pages 21 and 23 which include signed and dated legal documents, both identifying the transaction occurred in June 2024. The Board assigns significant weight to Exhibit R1 pages 21 and 23.
- [30] The Board reviewed documents related to the sale of the subject property, including testimony and the Complainant's statements that the purchase was influenced by emotional and motivating factors such as location on a dead-end road providing privacy. The Respondent described the sale as potentially unique due to location and influencing factors. The Board gives very little weight to arguments regarding the uniqueness of the sale or the Complainant's personal motivations to purchase the property, no supporting evidence was provided to demonstrate that the subject property was materially different from other properties, or the sale conditions were atypical.
- [31] The Board considered the Complainant's comparable assessment summaries, including a neighbouring property (Exhibit C1 page 12, Roll 3805094002), with a parcel size of 4.99 acres, with a single wide mobile home and newer garage. The property sold in 2023 and was assessed at \$314,000, making it the closest comparable in terms of size and location. The Board finds this property to be a relevant comparison and give this significant weight, particularly as it was based on recent assessment data, and was not disputed by the Respondent.
- [32] The Board heard the argument from the Respondent's submissions that certain property features-such as location at the end of a dead-end road-are difficult to quantify and may not be fully reflected in mass appraisal models. While the Respondent noted such factors may limit direct comparison to other properties, no evidence was submitted to support that the subject property was materially different in a way that would justify the assessed land value. The Respondent did not respond or object to any of the comparables supplied by the Complainant.
- [33] The Board reviewed the Respondent's claim that the assessment fell within 95% of the sale price (ASR) but found no valid supporting data to support the calculation in the Respondent's submission. The Board gives little weight to the ASR argument and cannot conclude the assessment was justified based on this standard and instead gives more weight to the comparables submitted by the Complainant.
- [34] The Board accepts the Respondent's acknowledgment that the condition of the garage and cabin warranted a reduction of \$11,100 in the assessed improvement value. The Board agrees with the adjustment-based photographs submitted as evidence in Exhibits C3, C4 and the Complainant's testimony.
- [35] The Board notes that according to the Exhibit R1, pages 29 and 30, not all properties will achieve an ASR of exactly 100%. Where an assessment falls outside the acceptable ASR range, the property should be flagged and excluded from ratio studies. In this case, the Board finds that instead of flagging the sale, the assessment was applied directly to the sale price which contributed to an inequitable result.
- [36] The Board found the comparable properties presented by the Complainant, Exhibit C1 pages 12 – 15 had land values in ranging from \$26,000 to 36,000 per acre. In contrast, the subject property land was assessed at over \$61,000 per acre. The Board found this to be a significant discrepancy and inconsistent. The Respondent provided no evidence to justify the higher land valuation or explain why the subject should be assessed at nearly double the value per acre. The Complainant

stated the land had swampy areas making these areas unusable, and this was not addressed by the Respondent. The Board gives greater weight to the Complainant's comparable data and concludes that the land assessment is not equitable.

- [37] The Board determined that average per-acre value of the comparable properties (including the current assessed land value of the subject) to be \$35,459. Applying this to the subject's 5.04 acres results in a revised land value of \$178,714. When combined with the 2024 improvements assessed values, (reduced \$11 100 due to the condition of the garage and cabin), the total revised assessment is \$308 414.

DECISION SUMMARY

- [38] The Board finds that the original assessed value is CHANGED to \$308 414.
- [39] Dated at the Central Alberta Regional Assessment Review Board, in the City of Red Deer, in the Province of Alberta this 27th day of June, 2025 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.

Lisa Nord

Lisa Nord, Board Clerk
on behalf of
Katie Shannon
Presiding Officer

This decision may be judicially reviewed by the Court of King's Bench pursuant to section 470(1) of the Municipal Government Act, RSA 2000, c M-26.

MGA 470(1) *Where a decision of an assessment review board is the subject of an application for judicial review, the application must be filed with the Court of King's Bench and served not more than 60 days after the date of the decision.*

(2) *Notice of an application for judicial review must be given to*

- (a) the assessment review board that made the decision,*
- (b) the complainant, other than an applicant for the judicial review,*
- (c) an assessed person who is directly affected by the decision, other than the complainant,*
- (d) a municipality, if the decision that is the subject of the judicial review relates to property that is within the boundaries of that municipality, and*
- (e) the Minister.*

Additional information may also be found at www.albertacourts.ab.ca.

APPENDIX "A"**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

<u>EXHIBIT NO.</u>	<u>ITEM</u>	<u>PAGES</u>
A.1	Hearing Materials	37
C.1	Complainant Submissions	16
C.2	Complainant Submission	8
C.3	Complainant Submission	4
C.4	Complainant Submission	4
C.5	Complainant Rebuttal	1
R.2	Respondent Submission	32

APPENDIX "B"**LEGISLATIVE AUTHORITIES CONSIDERED BY THE BOARD:*****Municipal Government Act, R.S.A. 2000, Chapter M-26 (the MGA)*****Interpretation**

s 1(1)(n) 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;

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

(u) "structure" means a building or other thing erected or placed in, on, over or under land, whether or not it is so affixed to the land as to become transferred without special mention by a transfer or sale of the land;

Assessments for property other than designated industrial property

s 289(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.

Rules for assessing improvements

291(1) Unless subsection (2) applies, an assessment must be prepared for an improvement whether or not it is complete or capable of being used for its intended purpose.

Joint establishment of assessment review boards

s.455(1) Two or more councils may agree to jointly establish the local assessment review board or the composite assessment review board, or both, to have jurisdiction in their municipalities.

Jurisdiction of assessment review boards

s.460.1(1) A local assessment review board has jurisdiction to hear complaints about any matter referred to in section 460(5) that is shown on

- (a) an assessment notice for
 - (i) residential property with 3 or fewer dwelling units, or
 - (ii) farm land

s.460.1(2) Subject to section 460(14) and (15), a composite assessment review board has jurisdiction to hear complaints about

- (a) any matter referred to in section 460(5) that is shown on
 - (i) an assessment notice for property other than property described in subsection (1)(a)

Decisions of assessment review board

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.

(1.1) For greater certainty, the power to make a change under subsection (1) includes the power to increase or decrease an assessed value shown on an assessment roll or tax roll.

(2) An assessment review board must dismiss a complaint that was not made within the proper time or that does not comply with section 460(9).

(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.

(4) An assessment review board must not alter any assessment of farm land, machinery and equipment or railway property that has been prepared correctly in accordance with the regulations.

Matters Relating to Assessment and Taxation Regulation, 2018 A.R. 2003/2017 (MRAT)**Mass Appraisal**

s. 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.

Valuation Date

s. 6 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

s. 7(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

s. 9(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

14(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 Dispersion	of
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	

(4) The assessor must, in accordance with the procedures set out in the Alberta Assessment Quality Minister's Guidelines, declare annually that the requirements for assessments have been met.