

IN THE MATTER OF A COMPLAINT filed with the Regional Municipality of Wood Buffalo Local Assessment Review Board (LARB) pursuant to Part 11 of the *Municipal Government Act* being chapter M-26 of the revised statutes of Alberta 2000.

BETWEEN:

Y. Sanvaliya – Complainant

- and -

Regional Municipality of Wood Buffalo (RMWB) – Respondent

BEFORE:

A. McKenzie, Presiding Officer

D. Gorman, Member

K. Haxton, Member

Staff:

D. Soucy, Clerk

BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT

[1] A hearing was convened on August 12, 2019 in the Regional Municipality of Wood Buffalo in the Province of Alberta to consider a complaint about the assessment of the following property:

Assessment Roll Number	51003520
Civic Address	125 Blackburn Drive Fort McMurray, AB
Owner	Yogesh and Archana Sanvaliya
File Number	ARB 19-018

[2] The subject property is in Parsons Creek North consisting of a 3-bedroom semi-detached residence with an attached garage situated on a 3,213 square foot lot.

PROCEDURAL MATTERS

[3] The LARB derives its authority to make decision under Part 11 of the *Municipal Government Act*, R.S.A. 2000, c. M-26.

[4] The parties confirmed that they had no objections to the composition of the Board.

[5] D. Gorman, Board Member, submitted that he had met the Complainant at work; however, the Complainant noted that he did not remember meeting him at work. D. Gorman stated he had no bias in relation to the matters, and this statement was accepted by both the Complainant and the Respondent.

[6] The remainder of the Board confirmed it had no bias in relation to the matters.

ISSUES

Issue identified on the complaint form	Assessment Amount	Requested Value
An Assessment Amount	\$567,550	\$520,000

MERIT MATTERS

Position of the Complainant

[7] The Complainant confirmed their position appealing the assessed value of the subject property located at 125 Blackburn Drive.

[8] The Complainant noted that they had purchased the property for \$538,000 on August 20, 2018 and provided a land title certificate indicating the same (Exhibit C1).

[9] The Complainant provided a land title certificate (Exhibit C1) for 121 Blackburn Drive, which had a transfer value of \$509,523 on November 8, 2017 and indicated that this property is next door to the subject property, has the same property size and amenities but is assessed at \$533,730 (Exhibit C1).

[10] The Complainant referred to the assessment report (Exhibit C1) for 120 Blackburn Drive indicating an assessed value of \$510,010 and noted that it is a similar property with similar amenities.

[11] The Complainant indicated that the property located at 109 Blackburn Drive is a similar property with similar amenities located on a larger corner lot, which is assessed at \$509,860 as per the assessment report (Exhibit C1).

[12] The Complainant concluded that the assessed value of the subject property does not reflect market value and that the assessed value should be \$520,000, which is closer to the assessed values and sales prices in the neighbourhood.

Position of the Respondent

[13] The Respondent spoke to property assessment valuation in Alberta, the mass appraisal methodology, the multiple regression analysis and the single-family residential assessment process (Exhibit R1).

[14] The Respondent identified three approaches to value – direct sales approach, income approach and the cost approach, noting that the direct sales approach is used to determine the assessment of residential improved properties, such as the subject property. The direct sales approach is used for single-family dwellings that are typically owner occupied as it reflects the actions of willing buyers and sellers in the market and provides sufficient residential sales comparisons to derive reliable market estimates (Exhibit R1).

[15] The Respondent presented that the subject property is located in the Heritage Point neighbourhood of Parsons Creek North in Fort McMurray. The structure on the property was built in 2017 and consists of an approximately 1560 square foot 2 story duplex with an approximately 418 square foot attached garage. The Respondent noted that it is in excellent condition and of average quality with 3 bedrooms and 2.5 bathrooms, and includes a 1 bedroom, 1 bathroom below grade basement suite that has a separate entrance and a separate laundry (Exhibit R1).

[16] The Respondent provided a table of four comparable property sales that occurred between July 2017 and October 2017 within the Parsons Creek North neighbourhood. The time adjusted sales prices of these properties are similar to the assessed value of the subject property. The Respondent noted that the properties are similar in age, size, quality and condition, including the number of bathrooms, bedrooms and the basement suite, with the exception of 193 Clarkson Street, which has an undeveloped basement (Exhibit R1).

[17] The Respondent further submitted that the 2019 assessed values of the four comparable sales properties are within the $\pm 5\%$ threshold for assessment to sales ratios.

[18] The Respondent noted that one of the sales presented by the Complainant (Exhibit C1) is past the valuation date of July 1, 2018 and as such, will be included in the 2020 valuation analysis.

[19] The Respondent indicated that the sale presented by the Complainant that occurred before the valuation date of July 1, 2018 (Exhibit C1) could not be considered a comparable sale as it does not have a basement suite and would be valued much lower than the subject property.

[20] The Respondent presented that the three comparable properties submitted by the Complainant (Exhibit C1) are not similar properties and do not have similar amenities to the subject property. The Respondent noted that if the comparable properties were assessed with basement suites and attached garages, the assessed values would be similar to the assessed value of the subject property (Exhibit R1).

[21] The Respondent reiterated that the assessed value of the subject property was based on actual sales of similar properties that occurred prior to the legislated valuation date of July 1, 2018, and that the assessment, which is well within the prediction of value, is fair and equitable.

[22] The Respondent requested that the Board confirm the assessed value for the subject property at \$567,550 as proven by the comparable sales data provided.

[23] All parties confirmed that they had a fair opportunity to present their case to the Board.

DECISION

[24] It is the Decision of the LARB to confirm the assessment of \$567,550.

REASON FOR DECISION

[25] In coming to its conclusion, the Board has reviewed carefully the provisions of the *Municipal Government Act* (“MGA”), the *Matters Relating to Assessment Complaints Regulation* (“MRAC”) and the *Matters Relating to Assessment and Taxation Regulation* (“MRAT”).

[26] The Board determined through the presentations and evidence provided by the Complainant and Respondent, that the issue is the valuation of the subject property is incorrect based on comparable properties within reasonable proximity of the subject property.

[27] The Board is satisfied with the Respondent’s use of the Direct Sales approach to determine the value of the subject property and accepted the Respondent’s RMWB Comparable Sales Chart (Exhibit R1), which utilized sales of comparable residential properties prior to July 1, 2018 that are of similar size, quality and condition within

reasonable proximity of the subject property to determine the assessed value of the subject property.

[28] The Board gave little weight to the comparables provided by the Complainant (Exhibit C1). The Complainant's evidence did not provide any details of the size, quality and/or condition of the comparables and/or the sales were post-facto. Upon further questioning from the Board, the Complainant was not able to provide any further information about how these properties were comparable. The Board was not swayed that these were truly comparable. Further, the Board cannot consider post-facto sales, sales transacted after July 1, 2018, as evidence.

[29] The Board was further swayed in favour of the Respondent's explanation that the Complainant's comparables were not truly comparable and accepts the Complainant Comparable Sales Chart (Exhibit R1) making the adjustments needed to make the properties comparable. The Board agrees that with these adjustments, the subject property's assessed value is within a reasonable prediction of value.

[30] The Board was not convinced, based on the presentation and evidence provided and for what the Board can consider, that the Complainant was able to justify the requested assessment value of \$520,000.

[31] It is so ordered.

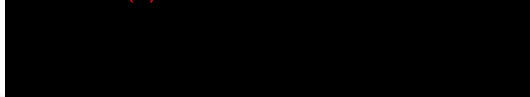
DISSENTING OPINION

[32] There was no dissenting opinion.

[33] The decision of the Local Assessment Review Boards is final and binding on all parties. This decision may be judicially reviewed by the Court of Queen's Bench pursuant to Section 470(1) of the *Municipal Government Act, RSA 2000, c M-26*.

Dated at the Regional Municipality of Wood Buffalo in the Province of Alberta, this
29th day of August 2019

FOIP s.17(1)



A. McKenzie, Presiding Officer

APPENDIX A

DOCUMENTS RECEIVED AND CONSIDERED BY THE LARB

Exhibit Number	Description
C1	Complainant's Disclosure (13 pages)
R1	Respondent's Disclosure (24 pages)
R2	RMWB Law and Legislation Brief
R3	RMWB Assessment Guide

APPENDIX B

REPRESENTATIONS

Person Appearing	Capacity
Yogesh Sanvaliya	Complainant
Archana Sanvaliya	Complainant
Paula Fudge	Assessor, Regional Municipality of Wood Buffalo
Julie Peyton	Assessor, Regional Municipality of Wood Buffalo