

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:

Brett Amero – Complainant

- and -

Regional Municipality of Wood Buffalo (RMWB) – Respondent

BEFORE:

S. Schaffer, Presiding Officer

N. Mahgoub, Member

J. Gogo, Member

Staff:

H. Fredeen, Clerk

BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT

[1] A hearing was convened on Saturday, September 7, 2024, 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	50653840
Civic Address	133 Snowy Owl Way, Fort McMurray, AB
Owner	Brett Amero
File Number	ARB 24-012

PROCEDURAL MATTERS

- [2] The LARB derives its authority to make decision under Part 11 of the *Municipal Government Act*, R.S.A. 2000, c. M-26.
- [3] The parties confirmed that they had no objections to the composition of the Board.
- [4] The Board confirmed it had no bias in relation to the matters.

PRELIMINARY MATTERS

- [5] There were no preliminary matters raised.

ISSUES

Issue identified on the complaint form	Assessment Amount	Requested Value
An Assessment Amount	\$601,800	\$520,000

MERIT MATTERS

Position of the Complainant

- [6] The Complainant presented that based on a list of comparable properties provided by a local realtor, and the fact that the subject property does not have air conditioning, the subject property has an approximate value of \$520,000.
- [7] The Complainant submitted that with respect to the comparable properties provided by the local realtor, the average selling price of the homes is \$529,244 while the average selling price for the comparable properties provided by the Municipality is \$701,667.
- [8] On the complaint form (Exhibit C-1), the Complainant submitted that the original 2024 assessment amount of \$612,800 was revised to \$601,800 on April 24, 2024 to reflect that the property does not have air conditioning.
- [9] The Complainant presented that the comparables provided by the Municipality are of significantly larger properties than the subject property, with front attached garages and some backing onto a greenbelt.
- [10] The Complainant submitted that the eight comparable properties provided by the local realtor (Exhibit C-2), which sale prices range between \$494,000 and \$557,000 all

have air conditioning, one fireplace and detached garages, while the subject property has no air conditioning and an attached garage.

- a) 128 Waxwing Rise
 - i) Built in 2011, the house size of 1619 square feet, with 3 bedrooms, 2.5 bathrooms and a 575 square foot detached garage.
 - ii) Sold in March 2023, for \$494,000 for a rate of \$305.13 per square foot.
- b) 125 Snowy Owl Way
 - i) Built in 2010, the house size is 1617 square feet with 4 bedrooms, 3.5 bathrooms and a 600.3 square foot detached garage.
 - ii) Sold in January 2024 for \$508,450 for a rate of \$314.44 per square foot.
- c) 116 Grosbeak Way
 - i) Built in 2008, the house size is 1906 square feet with 4 bedrooms, 3.5 bathrooms and a 437 square foot detached garage.
 - ii) Sold in December 2023 for \$520,000 for a rate of \$272.82 per square foot.
- d) 260 Swallow Way
 - i) Built in 2008, the house size is 1834 square feet with 6 bedrooms, 4 bathrooms, and a 451 square foot detached garage.
 - ii) Sold in January 2024 for \$557,000 for a rate of \$303.71 per square foot.
- e) 280 Loutit Road
 - i) Built in 2008, the house size is 1507 square feet, with 5 bedrooms, 3 bathrooms, a 362.6 square foot detached garage and an illegal suite.
 - ii) Sold in April 2023 for \$520,000 for a rate of \$345.06 per square foot.
- f) 400 Loutit Road
 - i) Built in 2009, the house size is 1731 square feet, with 4 bedrooms, 3.5 bathrooms, a 511.6 square foot detached garage and an illegal suite.
 - ii) Sold in July 2023 for \$535,000 for a rate of \$309.07 per square foot.
- g) 205 Snowy Owl Way
 - i) Built in 2011, the house size is 1871 square feet, with 5 bedrooms, 3.5 bathrooms, a 528 square foot detached garage and an illegal suite.
 - ii) Sold in November 2023 for \$545,000 for a rate of \$291.29 per square foot.
- h) 113 Grouse Way
 - i) Built in 2008, the house size is 1681square feet, with 4 bedrooms, 3.5

bathrooms and a 506 square foot detached garage.

ii) Sold in March 2023 for \$554,500 for a rate of \$329.86 per square foot.

[11] In rebuttal, the Complainant suggested that of the comparables provided by the Municipality, the property located at 129 Brebeuf Crescent is the most accurate comparison to the subject property, whereby other comparables are higher end houses.

[12] In conclusion the Complainant offered that the comparables he provided should be considered as they more accurately reflect the market value for properties similar to the subject property.

Position of the Respondent

[13] The Respondent submitted a 104-page Disclosure (Exhibit R-1), a 54-page Law and Legislative Brief (Exhibit R-2), a 14-page Assessment Guide (Exhibit R-3) and a 138-page 2023 Recording and Reporting Information for Assessment Audit and Equalized Assessment Manual (Exhibit R-4).

[14] The Respondent opened their presentation explaining that “market value” is defined in the *Municipal Government Act* as being the amount that a property might be expected to realize if it is sold on the open market by a willing seller to a willing buyer with no undue influence. This value is not the highest or the lowest price but the most probable one. A valuation model with multiple regression analysis is used to determine and predict market value based on attributes of the properties.

[15] The Respondent’s valuation model uses the direct sales approach for single family dwelling units. Single family residential assessments represent:

- a) an estimate of the value;
- b) of the fee simple estate in the property;
- c) as it existed on December 31, 2023;
- d) as if it had been sold in that condition on July 1, 2023
- e) on the open market;
- f) under typical market conditions;
- g) by a willing seller to a willing buyer.

[16] With respect to the comparables provided by the Complainant, the Respondent submitted that transfer of title for five of the eight properties, being 400 Loutit Road, 205 Snowy Owl Way, 125 Snowy Owl Way, 116 Grosbeak Way and 260 Swallow Way were transferred after the July 1, 2023 valuation date, therefore are post-facto sales and can only be considered for the 2025 tax year.

[17] The Respondent further submitted that two other comparable properties, 128 Waxwing Rise and 113 Grouse Bay, are two-storey homes rather than bi-level and while the remaining comparable property, being 280 Loutit Road, a bungalow or one-storey property, remains as a comparable, it may not be fully representative of the market, as a single sale does not provide a complete picture.

[18] The Respondent presented that the subject property, located in the Timberlea neighbourhood of Fort McMurray, is a bi-level structure built in 2010, with approximately 1,380 square feet of living space, has a finished basement and a 526 square foot attached garage. The property features two bedrooms two full bathrooms, one 2-piece bathroom and is located across from a pond.

[19] The Respondent submitted that the subject property's title was transferred on August 17, 2022, however, this was a court-ordered sale, which do not represent market value under typical market conditions as they are conducted under duress.

[20] The Respondent referenced page 19 of the 2023 Recording and Reporting Information for Assessment Audit and Equalized Assessment Manuals (Exhibit R-4) which states that sales that occur under duress, foreclosure or government sale should be rejected.

[21] The Respondent presented five comparable properties to justify the accuracy and reasonableness of the current assessed value of the subject property:

- a) 145 Trillium Road
 - i) bi-level house 1,234 square feet in size, which is 146 square feet smaller than the subject property;
 - ii) located on an interior lot, it features a lot size of 4,821 square feet, 20 square feet smaller than the subject property;
 - iii) built in 2007, the house includes an attached garage and has a finished basement.
 - iv) title transferred in January 2023 for \$563,500. Its sale price, time adjusted to the July 1, 2023 valuation date is \$556,907 or \$451 per square foot.
- b) 169 Diamondstone Ridge
 - i) bi-level house 1,282 square feet in size, which is 98 square feet smaller than the subject property;
 - ii) located on an interior lot, it features a lot size of 5,350 square feet, 509 square feet smaller than the subject property;
 - iii) built in 2012, the house includes an attached garage, has a finished basement and no central air conditioning;

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- iv) title transferred in May 2022 for \$622,000. Its sale price, time adjusted to the July 1, 2023 valuation date is \$609,871 or \$476 per square foot.
 - c) 129 Brebeuf Crescent
 - i) bi-level house 1,203 square feet in size, which is 177 square feet larger than the subject property;
 - ii) located on an interior lot, it features a lot size of 4,753 square feet, 88 square feet smaller than the subject property;
 - iii) built in 1999, the house includes an attached garage, has a finished basement and central air conditioning;
 - iv) title transferred in February 2023 for \$520,000. Its sale price, time adjusted to the July 1, 2023 valuation date is \$515,008 or \$428 per square foot.
 - d) 422 Diefenbaker Drive
 - i) bi-level house 1,141 square feet in size, which is 239 square feet smaller than the subject property;
 - ii) it features a lot size of 4,727 square feet, 114 square feet smaller than the subject property; and like the subject property, it has two bedrooms;
 - iii) built in 2001, the house includes a 476 square foot attached garage, does not have a finished basement but does have central air conditioning;
 - iv) title transferred in February 2023 for \$477,250. Its sale price, time adjusted to the July 1, 2023 valuation date is \$472,668 or \$414 per square foot.
 - e) 246 Pickles Crescent
 - i) bi-level house 1,267 square feet in size, which is 113 square feet smaller than the subject property;
 - ii) located on an interior lot, it features a lot size of 5,579 square feet, 738 square feet larger than the subject property;
 - iii) built in 2005, the house includes an attached garage, has three bedrooms, a finished basement and central air conditioning;
 - iv) title transferred in November 2022 for \$570,000. Its sale price, time adjusted to the July 1, 2023 valuation date is \$560,880 or \$443 per square foot.

[22] In response to questions from the Board, the Respondent confirmed that although the Complainant submitted 280 Loutit Road, as a comparable property, the Respondent did not include it in its comparables as 280 Loutit Road is typed as a bungalow as opposed to the subject property which is typed as a bi-level.

[23] The Respondent confirmed that upon inspection, the assessment was revised to reflect removal of the air conditioning component from the subject property.

[24] In conclusion, the Respondent presented that assessors are legislated to use the specific valuation date of July 1, 2023, and assessors are then required to compare valid, arm's-length sales of similar properties and determine mass appraisal values based on those sales.

[25] Of the eight comparables submitted by the Complainant, five are post-facto sales of two-storey homes, while the remaining three include two additional two-storey homes and one bungalow. In contrast, the Respondent provided five bi-level comparables, all similar to the subject property and these sales demonstrate that the assessment of the subject property falls within the range of values that is fair and reasonable.

[26] The Respondent requested that the LARB confirmed the revised assessment value for the subject property at \$601,800.

DECISION

[27] It is the Decision of the LARB to confirm the revised assessment amount of \$601,800.

REASON FOR DECISION

[28] The Board put considerable weight on the Respondent's comparables at 145 Trillium Road, 169 Diamondstone Ridge, 129 Brebeuf Crescent, 422 Diefenbaker Drive and 246 Pickles Crescent.

[29] The Board recognizes that five of the eight Complainant's comparables were sold after July 1, 2023. The Board accepts that case law (notably *Edmonton Plaza Hotel Inc. v. Edmonton (City)*) establishes that post facto sales cannot be used to determine value. For this reason, the Board did not consider these properties in its decision.

[30] The Board placed considerable weight on the Complainant's comparable at 280 Loutit Road even though the property is a bungalow rather than a bi-level. The Board recognizes that a bungalow with a finished basement may not be as desirable as a bi-level due to lighting, but is relatively similar in structure, and also acknowledges that there are more factors than type of detached home that goes into determining its market value such as size, community, build quality, etc. The Board accepted that the home on 280 Loutit Road was comparable to the subject property on many of the other factors. The respondent

had noted that the bungalow was a comparable, except for the home type.

[31] The Board did not give any weight to the Complainant's comparables at 128 Waxwing Rise and 113 Grouse Bay as the Board accepted that a two-storey home was materially different enough from a bi-level property, making it much more difficult to compare.

[32] When the Board reviewed the five accepted comparables of the Respondent and the one accepted comparable of the Complainant, the Board calculated that the value of the subject property was approximately 2% lower than the revised assessment amount. The Board recognizes that assessments based on market value will not be exact and accepts a variation of 2% is reasonable.

[33] The Board recognizes that the subject property's assessment was \$612,800 and that the Respondent recommended that the assessment be "confirmed" at \$601,800. The Board accepts the revised assessment amount of \$601,800 as supported by the removal of the air conditioning and the comparable data submitted by the Respondent.

[34] 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").

[35] It is so ordered.

DISSENTING OPINION

[36] There was no dissenting opinion.

[37] 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 King'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
26th day of September 2024

FOIP section 17(1)

S. Schaffer, Presiding Officer

APPENDIX A

DOCUMENTS RECEIVED AND CONSIDERED BY THE LARB

Exhibit Number	Description
C-1	Complaint Form (2 Pages)
C-2	Complainants Disclosure (52 Pages)
R-1	Respondent's Disclosure (104 Pages)
R-2	Law and Legislative Brief (54 Pages)
R-3	Assessment Guide (14 Pages)
R-4	2023 Recording and Reporting Information for Assessment Audit and Equalized Assessment Manual (138 Pages)

APPENDIX B

REPRESENTATIONS

Person Appearing	Capacity
B. Amero	Complainant
S. Kim	Assessor, Regional Municipality of Wood Buffalo
J. Peyton	Supervisor, Regional Municipality of Wood Buffalo

APPENDIX C

LEGISLATION

Municipal Government Act
Matters Relating to Assessment Complaints Regulation
Matters Relating to Assessment and Taxation Regulation
