

**IN THE MATTER OF A COMPLAINT** filed with the Town of Okotoks Local Assessment Review Board (LARB) pursuant to the *Municipal Government Act*, Chapter M-26.1, Section 460.

**BETWEEN:**

Peter Tong - Complainant

- and -

The Town of Okotoks - Respondent

**BEFORE:**

Dierdre Mullen, Presiding Officer

Ryan Nix, Member

Dan Onerheim, Member

This is a complaint to the Town of Okotoks Local Assessment Review Board (LARB) in respect of property assessments prepared by the Assessor of the Town of Okotoks and entered in the 2020 Assessment Roll as follows:

<b><u>Roll Number</u></b>	<b><u>Address</u></b>	<b><u>Assessment</u></b>
0046510	43 Cimarron Trail	\$385,000

- 1) This complaint was heard on the 28<sup>th</sup> day of May 2020 at the Town of Okotoks Council Chamber at 5 Elizabeth Street, Okotoks, Alberta.
- 2) Appearing on behalf of the Complainant:
  - Dan Lothian, Realtor
- 3) Appearing on behalf of the Respondent:
  - Carmel Staley, Assessor, Town of Okotoks
- 4) Attending for the Assessment Review Board (ARB):
  - Patty Huber, Clerk

## **OKOTOKS LOCAL ASSESSMENT REVIEW BOARD ORDER #0238/01/2020-L**

### **Preliminary Matters:**

- 5) The Complainant requested that the original summary of properties and associated MLS® detailed sheets in his original submission was not correct and instead the summary and associated MLS® detailed sheets emailed in prior to the initial submission deadline were the comparison properties used by the Complainant to arrive at the requested assessed value. The Respondent had no issue. The Board will disregard the original summary of properties and associated MLS® detailed sheets as requested by the Complainant.

### **Property Description and Background:**

- 6) The subject property, located at 43 Cimarron Trail, is a 1,650 (1,609) square foot (sf) residential two-story house with an attached garage and unfinished basement (but includes a drywall enclosed room with no other finishes except a door, on the lower level) situated on a 5,528 sf lot. The property was built in 2002.

### **Issues:**

- 7) The assessment is too high. More specifically, the assessment should be \$335,500,000 not \$385,000.

### **Board's Findings in Respect of Each Matter or Issue:**

- 8) The Board found the assessment too high. More specifically, the assessment amount should be \$374,800 and not \$385,000

### **Summary of Positions:**

#### **Complainant:**

- 9) The Complainant argued that during the course of listing the property for sale he discovered the subject property is smaller than the 1650 sf as indicated on the property assessment, and wants it adjusted to 1609 sf.
- 10) The Complainant provided a summary of six (6) comparison properties from the MLS® with sold dates ranging from December 03/2018 to May 29/2019. All properties were 2-storey and all but one had finished basements. Detailed MLS® sheets were provided to the Board for details of each property. The Complainant argued that if these six (6) properties were used to determine the assessed value, the total sold value divided by the total square footage would equal \$226 per sf. This would therefore make the subject property \$365,500 (rounded-up). The Complainant indicated that the subject property is not as finished as the comparison properties and therefore an adjustment should be made to the

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property for those differences.

- 11) The Complainant continued that if the value of the following five elements: unfinished basement; hardwood floors; pie lot; upgraded kitchen; and back lane access was deducted from the above sf price, the new adjusted price would be \$30,000 less for a total of \$335,500.
- 12) In rebuttal, the Complainant argued that he has been trying to sell the subject property on behalf of his client for two years. Feedback from other REALTORS® who have viewed the property suggested the price was too high. Its most recent listing period from September 27, 2019 to March 31, 2020 the property was listed for sale at \$374,800.

### **Respondent:**

- 13) The Respondent provided an 11-page document, which included a summary of the subject property, photographs of the subject property and neighbourhood, mapping details, as well as a chart of eight comparables used in its determination of assessed value. Five (5) of the eight (8) properties had unfinished basements. All properties in the chart were in the same neighbourhood. The sales dates range from January 28, 2019 to June 25, 2019. The chart calculated:
  - Minimum sales price of \$210 per sf, maximum sales price of \$255 per sf, a median sales price of \$236 per sf, and an average sales price of \$231 per sf.
  - Time adjusted sales prices are minimum \$207 sales price per sf, maximum sales price \$275 per sf, and median sales price \$238 per sf and an average sales price \$239 per sf.
- 14) The subject property was assessed at \$233 per sf at 1650 sf for a total of \$384,450 rounded-up to \$385,000.
- 15) The Respondent indicated that the size of the property was taken from the original building permit.

### **Findings and Reasons:**

- 16) The Board noted two (2) of the Complainant's six (6) comparables are bank or financial institutional sales and are not good comparisons as condition and motivation are in question. Five (5) of the six (6) comparable properties also had finished basements and required many adjustments to arrive at the proposed assessment value. One (1) comparable had an unfinished basement and was a bank owned property.

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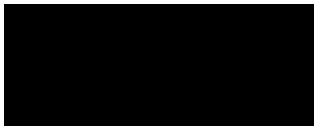
- 17) The Board did not consider the Complainant's arbitrary figure of \$30,000 as adjustment for qualities of the subject property differing from the comparables provided, because there was no evidence to support the figure.
- 18) The Board could not replicate the hand-written calculations provided by the complainant on its summary comparison page to determine the price per sf of \$226 requested by the Complainant.
- 19) The Board finds the comparables provided by the Respondent to be better than those provided by the Complainant because many of them do not have finished basements and are similar to the subject. Five (5) of the comparables are more like the subject property and require fewer adjustments. Those five (5) properties have an average per sf price of \$240 and median of \$236.
- 20) The Board agrees that the five (5) properties provide a good sample to determine a per sf price for the subject but will not increase the average per sf already calculated by the Respondent. Therefore, the average per sf price of \$233 will be used to calculate the assessment.
- 21) On questioning, the Respondent agreed that the new size of the property at 1609 sf is a correction that will be made to the assessment.

**Board's Decision:**

- 22) The Board will alter the assessment of the subject property to reflect the new size of 1609 sf and the average square foot price as indicated by the Complainant at \$233.
- 23) The new assessment is \$374,897 rounded to \$374,800.

It is so ordered.

Dated at the Town of Okotoks in the Province of Alberta, this 5<sup>th</sup> day of June 2020.



for

Dierdre Mullen  
Presiding Officer

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

NO.	ITEM
C1.	Complainant's submission
R1.	Respondent's submission
C2.	Complainant's rebuttal

*An application for Judicial Review may be made to the Court of Queen's Bench with respect to a decision of an assessment review board.*

*An application for Judicial Review must be filed with the Court of Queen's Bench and served not more than 60 days after the date of the decision, and notice of the application must be given to*

- (a) the assessment review board,*
- (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) the municipality, and*
- (e) the Minister.*