
RECORD OF DECISION

CITY OF PRINCE ALBERT – BOARD OF REVISION

Appeal No.: 2024-52
Roll No.: 300000100.0001
Hearing Date: June 6, 2024, at 9:00 a.m.
Location: 2nd Floor, Main Boardroom, City Hall
1084 Central Avenue, Prince Albert, SK

Appellant Sun Developments Ltd.

Respondent City of Prince Albert

Board of Revision Jackie Packet, Chair
Ralph Boychuk, Vice-Chair
Dan Christakos, Member

Terri Mercier, Secretary

Representation

Agent to the Appellant Amanda Chambers and Jesse Faith, Agents, Altus Group Limited

Respondent Vanessa Vaughan, City Assessor
Roxanne Belzevick, Assessment Appraiser
Darcy Lees, Assessment Appraiser

Property Appealed

Civic Address 200-239 14th Street West
Prince Albert, Saskatchewan
Legal Description Lot Unit 1, Plan 85PA25319
Assessed Value \$143,400
Tax Class Condominium – Improved (80% of value)
Taxable Assessment \$114,700

Role of the Board of Revision

[1] The Board of Revision (Board) is an Appeal board that rules on the assessment valuations for both land and buildings that are under Appeal. The basic principle to be applied by the Board in all cases is set out in *The Cities Act*, which states the dominant and controlling factor in the assessment of property is equity. The Board's priority is to ensure that all parties to an Appeal receive a fair hearing and that the rules of natural justice come into play.

[2] The Board may also hear Appeals pertaining to the tax classification of property or the tax status of property (exempt or taxable). This does not mean the Board can hear issues relating to the taxes owed on property.

[3] Upon hearing an Appeal the Board is empowered to:

- (a) confirm the assessment; or,
- (b) change the assessment and direct a revision of the assessment roll by:
 - a. increasing or decreasing the assessment;
 - b. changing the liability to taxation or the classification of the subject; or,
 - c. changing both the assessment and the liability to taxation and the classification of the subject.

Legislation

[4] Property assessments in Saskatchewan are governed by *The Cities Act*, *The Cities Act Regulations* and/or by board order of the Saskatchewan Assessment Management Agency (SAMA).

[5] The dominant and controlling factor in assessment is equity. (*The Cities Act*, 165(3))

[6] Equity is achieved by applying the market valuation standard. (*The Cities Act*, 165(5))

[7] The market valuation standard is achieved when the assessed value of property:

- (a) is prepared using mass appraisal;
- (b) is an estimate of the market value of the estate in fee simple in the property;
- (c) reflects typical market conditions for similar properties; and,
- (d) meets quality assurance standards established by order of the agency.
(*The Cities Act*, 163(f.1))

[8] Mass appraisal means preparing assessments for a group of properties as of the base date using standard appraisal methods, employing common data and allowing for statistical testing. (*The Cities Act*, 163(f.3))

Preliminary Matters

[9] With respect to the Board's internal process, this hearing will be recorded for use of the Board only in rendering its decision.

[10] The Agent requested that Appeal 2024-52 be considered a Lead Appeal and all evidence and testimony from both parties for this Appeal be carried forward and applied to Appeals 2024-53, 2024-54, 2024-55, 2024-56, 2024-57, 2024-58, 2024-59, 2024-60, 2024-61, 2024-62, 2024-63, 2024-64, 2024-65, 2024-66, 2024-67, 2024-68, 2024-69, 2024-70, 2024-71, 2024-72 and 2024-73. The Respondent agreed.

[11] The Board ruled Appeal 2024-52 to be the Lead Appeal and all evidence and testimony from the Agent and Respondent will be carried forward and applied to Appeals 2024-53, 2024-54, 2024-55, 2024-56, 2024-57, 2024-58, 2024-59, 2024-60, 2024-61, 2024-62, 2024-63, 2024-64, 2024-65, 2024-66, 2024-67, 2024-68, 2024-69, 2024-70, 2024-71, 2024-72 and 2024-73. The Board will render a decision on the Lead Appeal and apply that decision to the appeals as noted above.

[12] The Agent requested that Appendix AA and Appendix BB as submitted within the Appellant's 20-day submission, and Appendix AA as submitted within the Appellant's 5-day rebuttal submission be considered confidential to this hearing. The Respondent agreed to this request. The Board ordered Appendix AA and Appendix BB from the Appellant's 20-day submission, and Appendix AA from the Appellant's 5-day rebuttal submission as confidential to this appeal grouping in accordance with Section 202 of *The Cities Act*.

[13] With respect to Appeals 2024-72 and 2024-73, the Agent requested, following review of the Respondent's offer to adjust the properties as unfinished, to accept the offer which will resolve the grounds noted as 1(c) from the Notice of Appeal.

[14] In addition, with respect to Appeals 2024-72 and 2024-73, the Agent requested that the grounds 1(a) and 1(b) from the Notice of Appeal be withdrawn as a result of resolving the adjustment to account for the unfinished area.

[15] The Agent requested a correction to Appendix A of the Appellant's 5-day rebuttal submission and provided a paper copy of corrections to the revised assessment of the subject property to reflect the appraisals suite mix of 5 one-bedroom units and 17 two-bedroom units. The Respondent did not have any objections. The Board agreed to consider the corrected information.

[16] The Respondent requested that Part B, Schedule N, pages 280 to 284 as submitted within the Respondent's 10-day submission be considered confidential to this hearing. The Agent agreed to this request. The Board ordered Part B, Schedule N, pages 280 to 284 from the Respondent's 10-day submission as confidential to this appeal grouping in accordance with Section 202 of *The Cities Act*.

[17] The Respondent raised an issue with respect to the Appellant's Notice of Appeal stating that the Appellant has failed to identify a specific error made by the Assessor in the grounds of appeal and explained that supporting facts are not the same as alleging a specific error of grounds as required by legislation.

Exhibits

[18] The following material was filed with the Secretary of the Board of Revision:

- a. Exhibit A-1 – Notice of Appeal received February 29, 2024
- b. Exhibit A-2 – Appellant's 20 day written submission received May 16, 2024
- c. Exhibit A-3 – Appellant's 5 day written rebuttal received May 30, 2024
- d. Exhibit B-1 - Acknowledgement Letter dated March 12, 2024
- e. Exhibit B-2 – Notice of Hearing Letter dated April 4, 2024
- f. Exhibit R-1 – Respondents 10 day written submission received May 27, 2024

Appeal

[19] Pursuant to *The Cities Act*, section 197(1), an Appeal has been filed against the property valuation of the subject property. The Lead Appeal property is a non-regulated condominium property with a floor area size of 1,367 sq. ft on floor story level.

[20] The Appellant's grounds state:

The assessment valuation is in excess and should be lowered to reflect market value. I make this appeal on the following grounds (nature of alleged error):

1. The assessor erred in the calculation of the property valuation of the subject property.
2. The assessor has failed to achieve fair and just proportion as directed by The Cities Act when determining the assessment.
3. The assessor has failed to maintain equity when determining the current assessment of the subject property.

The Supporting facts are noted as follows:

1. a. The assessor has used the incorrect square footage in the calculation of the assessment value.
- b. The square footage used in the calculation includes the square footage of the balcony.
- c. The subject is currently valued at nearly double the assessment of comparable apartment complexes.
- d. The subject property(ies) operates as a rental apartment.
- e. The subject property(ies) transacted in the market as a single apartment complex.

- f. The subject property is comparable to other “High-Rise” multi-unit residential properties valued with the income approach.
 - g. The income generated from the subject property does not support the current assessment value.
 - h. All 22 units within the complex are owned by a single entity.
 - i. Similar apartment properties have sold with a significantly lower market value than that of the current assessments of the subject.
2. a. The assessment does not reflect the facts, conditions, and circumstances of the property.
 - b. Section 165(3.1) requires the assessment to reflect the facts, conditions, and circumstances of the property as of January 1st.
 - c. Section 165(5) of The Cities Act states that “Equity in non-regulated assessments is achieved by applying the market valuation standard so that the assessments bear a fair and just proportion to the market value of similar properties as of the applicable base date.”
 - d. The sales used to determine the assessment are not representative of the subject.
 - e. Similar property sales indicate a significantly lower market value.
 - 3.a. Section 165(3) of The Cities Act states that “The dominant and controlling factor in the assessment of property is equity”.
 - b. Equity in non-regulated property assessments is achieved by applying the market valuation standard so that the assessments bear a fair and just proportion to the market value of similar properties as of the applicable base date.
 - c. Comparable apartment complexes are assessed at nearly half the value of the subject.

Appellant

[21] In the Appellant’s written submission and testimony to the Board, the Appellant states:

Ground One: Calculation of Property Valuation

1. The Subject Property is an apartment building comprised of 22 units. 10 suites are one-bedroom in nature and 12 are two-bedroom. The building always has and still is considered as a whole unit and not individual units.
2. The property was registered as a condo at the time of construction (1979) and has always functioned as a rental facility owned by one owner.
3. The current owner purchased the Property in February of 2024 with the intention of continuing to run it as rental apartments. Its current and best use is that of an apartment block.

4. "Application for Transfer", "Transfer Authorization" and "Affidavit of Value" from Information Services Corporation (ISC) was provided and referenced. \$79,000 per unit is indicated as the value of each unit.
5. The building was originally listed at \$2,400,500 and was sold after the price was dropped to \$1,950,000. This purchase was a single transaction, one buyer.
6. The building continues to operate as a single apartment rental and income is reported as a typical rental apartment building.
7. The Assessor assessed the 22 units individually with a value totally \$3,263,400 which averages to \$148,336 per unit. This value is much higher than the average per unit \$79,000 purchase price.
8. The City erred in the application of the condo model when calculating the assessment.
9. Two Court cases were referenced *PR Investments INC. v The City of Moose Jaw c/o Saskatchewan Assessment Management Agency (SAMA), AAC Appeal 0042-2011* and *AAC Appeal 959630 Alberta Inc. and the City of Prince albert, AAC 2013-0260 and AAC 2013-0295*. In both cases the Committee found that Condominiums, operating as rental apartments, in the vicinity of other multi-rental apartment building should be assessed like the rental apartments and not as individual condominiums.
10. A chart was provided to demonstrate the similarity of the Subject building to the buildings in the referenced court cases.

Ground Two: Comparability

11. The Assessor used 280 sales of condominiums in developing the model. None of these sales are in the West Flat. All the sales are individual and not part of an entire apartment building. Two sales were under \$90,000 and 221 were over \$150,000.
12. Rental apartment buildings trade in a different market than condominiums.
13. A chart comparing the average per unit sale price of \$79,000 to the average per unit assessed price of \$143,400 and ASR of 1.88 was provided and referenced.
14. A chart comparing the average per unit sale price of \$79,000 to the per unit assessed prices was provided and referenced. The chart ARSs ranged from 1.55 to 2.81.
15. The Property is best defined as a multi-family building and should be assessed

with the Multi-Residential Income Model.

16. Rental generating income calculations in relation to one-bedroom and two-bedroom suites were provided. Comparable apartments receive a 45% less assessment value once all calculation for income etc is done.
17. Four comparable apartment blocks near the Subject were referenced as being comparable to the Subject Property. Build dates between 1974 and 1985, unit number 53 to 129, 7 stories to 15 stories were highlighted as comparables to the Subject.

Ground Three: Equity

18. Various court cases (Harvard 2017) emphasize fair and equitable treatment of individual properties and comparable individual sales are needed to develop models for assessment.
19. The assessment of this rental building does not meet the market valuation standard to achieve equity as it is not comparable to the sale properties in the valuation analysis and is wrongly assessed as individual condominium units when the units are rental apartments.

Square Footage Issues:

20. The 22 units are comprised of six different floor plans.
21. Upon examination of numerous properties used in the condo sales analysis the square footage used in assessment came from the condo plan documents.
22. Consistently, unit area measurements on the plans consistently come from the suite area and do not include the balcony or any other common areas.
23. The Assessors did use the square footage from the condo plans and these numbers include the balcony. This is a titling registration error.
24. Two of the floor plan types do not include the balconies in the square footage numbers of the unit areas and this is correct.
25. To be consistent, the balcony square footage should be removed from the total square footage of the other 4 floor plan types.

[22] Questions by the Respondent and Board and subsequent Agent answers:

1. The Agent acknowledged that Assessor's must follow fee simple and is bound to follow The Condominium Act. However, this building does not operate as a condo; it operates as a single rental apartment building.

2. The Agent acknowledged that fee simple interests must be adhered to by Assessor's when making their assessments. Fee simple interests are multiple in a condo building and a fee simple also applies to an apartment block. The Agent knows that the Subject building has 22 fee simple titles.
3. When asked why the owner did not consider dissolving the condominium plan, the answer referred to the fact that the units operate as rental apartments not condos and there is a significant cost to change the plan.
4. The Agent stated that changing the registration plan is irrelevant to this appeal. What is relevant is the model used for valuation. The Income Approach for multi residential units should be used as the best use of the units is renting them.
5. What exactly is the error in the condo model application? There is no error made in using the condo model. The model should not be applied. The income approach for rental properties should be used.
6. The Agent does not know if the Multi-Residential Model properties referenced in charts have fee simple per unit. The properties referenced are similar to the Subject building.
7. Square footage of unit areas can be corrected with the ISC. Why isn't this done? The hope is that the issues with square footage can be addressed through assessment.

Assessor

[23] In the Assessor's written submission and testimony to the Board, the Assessor states:

1. Classification of a property requires six steps:
 - a) Identify valuation parameters
 - i. Physical characteristics: property use, building size/area, construction style/materials, condition of improvements, building configuration, site size, location
 - ii. Supply and demand conditions in the marketplace
 - iii. Legal restrictions (i.e. zoning)
 - b) Collect appropriate data
 - i. Data collected from existing assessment records, property owners, property inspections, government and industry publications.
 - c) Analyse collected data
 - i. Various statistical technics are used to sort, classify data gathered.
 - d) Develop guidelines for applying valuation parameters

- i. Assurance that similar properties are assessed similarly is crucial.
 - ii. Assurance that equity is maintained.
- e) Apply valuation parameters
- f) Test results
 - i. Tests are done against recent sales.

2. The objectives of the classification process:

- a) Enable the assessment of several properties easily and efficiently
- b) Stratify properties into classes so comparisons are meaningful
- c) Provide a broad enough definition of classes so there are enough within groups to establish valuation parameters and assessments
- d) Achieve large classes with similar characteristics to assess similar properties similarly using mass appraisal and resulting in equitable results

3. Steps of the Sales Comparison Approach:

- a) Used for assessments of condominiums and single-family dwellings (multi-family dwellings, semi-detached dwellings, Manufactured homes, and townhouse dwellings with fewer than 4 units)
- b) Collection of data:
 - i. Data gathered from owners of condominiums
 - ii. Sale verification forms are unutilized for data entry not City program
 - iii. Four-year cycle (2015 -2018) of sales used - 264 sales
 - iv. Sales analysed for typical market conditions
- c) Understanding the Data:
 - i. From January 21015 to December 2018 5.58% decrease in sales
 - ii. Coefficient of Determination - 91.89% (model explains that % of sales)
 - iii. Coefficient of Dispersion (COD) is 8.525% (the population variation from the median)
 - iv. Median assessment to sales ratio (ASR) 1.00
 - v. Fairness and equity are achieved
 - vi. Multiple Regression Model determined from summation of data
- d) Multiple Regression Assessment (MRA)
 - i. Statistical technique often used in sales comparison approach to assessment
 - ii. Estimates unknown data from known and available data
 - iii. Used to determine independent variables- lot size, building area, building quality and location to predict dependent variable-sale price (market value estimate)
 - iv. Property characteristics examined and found significant to Subject:

1. Floor area
2. Basement finish
3. Attached garage
4. Detached garage
5. Parkade
6. Depreciation
7. Size adjustment
8. Quality
9. Story level
10. Location(neighbourhood)
11. Condo style
12. Walk-out
13. Condo location - corner
14. Central air conditioning

Ground One: Calculation of Property Valuation

4. Property Valued:

i. Floor area	- 1,267 sq. ft. (\$201.36/sq. ft.)
ii. Size adjustment	- 1300-1499 (0.82 factor)
iii. Central Air	- 1.062 factor
iv. Condo location (corner	- 1.057 factor
v. Quality	- Standard (1.00 factor)
vi. Story level	- Floor 1 (1.00 factor)
vii. Condo style	- Apartment w/parkade (1.038 factor)
viii. Location	- West Flat, Market Area 2 (0.802 factor)
ix. Depreciation	- 1970, 30+ (0.645 factor)

5. Subject Property is a registered with Information Service Corporation (IC) as a condominium with 22 titled units. The Appellant’s 20-day submission, “At the time of construction, the property was registered as a condo” (para 27) and “While we are aware that, because the property is a condo, each unit needs to have its own assessment.” (para 46)
6. *The Condominium Property Act, 1993* governs condominiums. Section 5 relates to fee simple: 5(2) ‘Every title that is issued pursuant to this Act is for an estate in fee simple in the condominium unit to which the title refers.’
7. Section 12 (7) *The Land Titles Act, 2000* states: ‘Every title is issued pursuant to this section is for an estate in fee simple.’
8. *The Cities Act* for mass appraisal was followed. (steps outline in 1-3 above)
9. The sales listing contained this information: “The property has been a rental investment for the current owner; however, all units are individually titled. An

investor could continue to operate the building for income or undertake the sale of individual suites.”

10. Section 93(2) *The Condominium Act* ... a separate assessment must be made of each unit.
11. The owner can continue to rent some or all units or sell all or some units. Once a unit sells, there is a title change with ISC for that unit.
12. The Appellant wants the City to consolidate the 22 units into one single property for assessment purposes. Renting all the units is a business decision and does not show an error in assessment.
13. *City of Saskatoon v Mainstreet Equities Corp.* (AAC 2023-0146 to 2023-0337), 2024 SKMB 6 and *Moose Jaw (City) v Boulevard Real Estate Equities Ltd.*, (AAC 2023-0590 (Lead) to 2023-0619), 2024 SKMB 22 support individually titled suites being assessed individually.

Ground Two: Comparability

14. Comparability is in relation between properties tied to the individual, not the entire condominium complex.
15. For the 22 condominium properties to be comparable to apartment buildings which contain multiple leasable units, the owner would need to legally request the ISC to dissolve the condominium plan. Once the legal process was completed and approved by the ISC, the City's Planning and Development Department, and City Council, then the fee simple interest would change, making the property comparable to multi-residential apartment properties.
16. The Assessor provided a chart which demonstrates the assessed value of the Property as a condo of 22 units and a what the assessment would be if it was a multi-resident building of 5 one-bedroom suites and 17 two-bedroom suites. \$3,260,400.00 versus \$1,870,365.00.
17. The current valuation model is based on sales of 2015-2018. In these years, there were 73 sales with a condo style of apartment with parkade, 36 sales with corner units, sizes ranging from 582 sq. ft. to 1,902 sq. ft. and builds from 1997 to 2015.
18. Other than being an older build, the subject property is a direct comparison to the sale properties: 22 corner units, range of sq. ft. 900 to 1,959.
19. Comparing the Property to the current market is not relevant as the base date for this valuation cycle is January 1, 2019.

20. Comparing sale prices or appraisals to assessments cannot be considered as all assessments are done by mass appraisals, not by individual entities.
21. The Appellant provides an alternate method to calculate the assessment value. The Appellant suggests using the multi-residential model valuation and divide the valuation for each individual condo unit. The Assessor cannot do this. The building is a condo complex, and 'mixing' two ways of assessing does not make the Subject comparable to a multi-residential building.

Ground Three: Equity

22. The Appellant's insistence that the Subject should be assessed as a multi-residential property because all its units are income generating, leased rentals, would create, if granted, inequity with other condominiums in the City.
23. To maintain equity, the Assessor must follow *The Condominium Act* and assess each unit as each is fee simple.
24. The assessment was prepared using mass appraisal, it was an estimate of the market value of fee simple, it reflected typical market conditions for similar properties and the ARS of 1.00 falls within the acceptable range for the Quality Assurance Standard.

Square Footage Issues

25. The Property is a titled condominium and is legislatively required to follow *The Condominium Act*. Information submitted and approved in the condominium plans is the information the Assessor relies upon for assessment purposes. The registered condominium plans are legal documents and using other calculations would be contravening *The Condominium Act*.
26. The Assessors did find discrepancies between blueprint square footage amounts and square footage amounts registered with ISC. Assessments must be based on ISC registered square footages.
27. Further to that, some Appellant information concerning discrepancies in square footage come from the ISC of which the Assessor has no control.
28. Concerning balconies, if they are included in the square footage, it means the owner of the unit owns the balcony. The condominium corporation owns the balconies not included and this sq. footage and the become part of the common shares held by the units. What is included in the square footage of each unit is determined when a property is originally titled with ISC.
29. Square footage errors in the registered plans must be amended through the ISC. This is not something an Assessor can do. ISC measurements must be

used in assessments.

30. There are common shares in condo registrations and once square footage of a unit is adjusted the common shares are affected. Assessors have no part in these adjustments. All square footage adjustments must be done through the ISC as they are part of each registered title.
31. As Sun Development Ltd. owns all the units, it would be able to update any errors without consent of any tenants. When plans are updated and processed by ISC, City records for each property would be updated as well. Valuations would reflect any changes that occur.
32. City Assessors inspected units 21 and 22 of the Property on April 16, 2024. Concerning unfinished areas, the Assessors recommend the Board apply unit 21 with a 19% unfinished reduction and unit 22 with a 42% unfinished reduction.

[24] Questions by the Respondent and Board and subsequent Assessor answers:

1. The Assessor when queried insisted that the use of the property is not a multi-residential property.
2. The City is aware, through this Appeal, that the units in the Property are rental units.
3. To the City's knowledge no condominium building with multiple units has not sold as one entity. Market value of each sale is evaluated. 'Dividing up' a sale amount by the number of units does not give accurate market value assessment; some units are one bedroom; some are two bedrooms. Different sizes of condos will have different assessment values. Several physical characteristics come into play when evaluating properties.
4. Assessor value properties based on fee simple ownership, build and design, uses, and fee simple interest. *The Cities Act* outlines assessment for market valuation standards.
5. Zone 2 Midtown Market Area has condo sales in the analysis grouping.
6. Agent asked where the Assessor is bound to use the ISC square footage amounts? Response, square footage of a condominium is determined by ISC when the condo is registered. *The Cities Act* legislates fee simple interest and Assessors must use what is on a title. Assessors cannot change information on a title. ICS would have their own 'team' 'surveyors' remeasure and make changes if required. *The Condominium Act* does not state where square footage measurements come from for use in assessments.

7. The Assessor reiterated that some condominium sales have balconies within their square footage assessment, and some do not. All assessments use the measurements indicated on the registered title of each condominium.
8. The Board asked if there was a factor for location in a building. The response was that the Subject unit is a corner condominium. On a bigger scale, condos are part of a neighbourhood within the City and those neighbourhoods are not further defined into sections.
9. As far as the Assessor knows this building was registered as a condominium from built date.

Final Arguments, Comments, and Rebuttals

[25] Agent's Rebuttal:

1. The assessor's references to *The Condo Act* - definition of a condo, how a property is titled, requirements of rental of a unit - have no relevance to this Appeal.
2. The only reference to assessment in *The Condo Act* is the need for each unit to be assessed.
3. *The Condo Act* states: "Every title issued pursuant to this Act is for an estate in fee simple in the condominium unit to which the title refers."
4. This is no different than any other non-condo properties. There is no legal restriction on the Property.
5. The Appellant does not dispute that each unit must have an assessment, nor does the Appellant take issue with the valuation model used to determine the assessment.
6. The issue is applying the model that best reflects the market of the Subject building.
7. The IAAO concluded in publication "Setting the Record Straight on Fee Simple" that a fee simple estate, or any estate, is not defeated by the existence of encumbrances, including a lease. In short, a fee simple interest is irrelevant to valuation approach.
8. The income-based model, used to value comparable properties is the model requested by the Appellant to be used to calculate the units. The highest and best use of this Property is multi-family rental apartments. This is supported by an appraiser. Appraiser's report was noted.
9. The appraiser also recommended the best way to assess the units was by the

Income Approach.

10. The Subject is more comparable to multi-residential income properties and should be valued using the Assessor's Income Model, opposed to the sales comparison condo currently relied upon.
11. The sale price is close to the appraised value and much less than the 2024 assessment value.
12. Concerning square footages, the Agent fully examined the numbers and found that some were off by 1 to 7 (plus or minus) sq. ft. off those registered on the condo plan. Balconies should not be considered as part of the living area of each unit. The inclusion of the balconies sq. ft. inflates the assessments.
13. Requests of the Board:
 - a. Find error in the application of the current rate applied to subject properties.
 - b. Find that the current assessment has not met the market valuation standard
 - c. Find that equity has not been maintained with similar properties when determining the current assessment of the subject properties
 - d. To maintain equity with comparable properties, apply the income model to value low-rise apartments.
 - e. Correct the square footage of the units to calculate the assessment.
 - f. Remove the square footage of the balconies from the total square footage.

[26] Assessor's final comments:

1. The Agent is requesting that an income approach model be applied to the Subject as though it were a single unit with one fee simple interest.
2. Fee simple is important in this Appeal. There are 22 Appeals here today representing 22 fee simple units within one building. Assessments are not calculated based on ownership; they are determined based on fee simple interests.
3. Leased fee interest, if considered, would require all condominium sales to be examined based on ownership or a lease tenant.
4. All the sale evidence used by the Agent are from 2023, which is outside the timeline that the City can use for 2024 assessments.

[27] The Agent: two cases almost identical to this appeal. 2011 Moose and 2013 Prince Albert. Prince Albert, in particular, three apartment blocks and one was converted to condos, but continued to operate as rental units. The condo rental was ruled to be assessed the same way as the apartment buildings.

[28] These Appeals remained the same until 2023, Main Street in Saskatoon. The

Saskatoon Board accepted the decision of Prince Albert from 2013. Individual values should be placed on each unit, and these values should not be equal to one another (not a mathematical division of sale price by number of units.)

[29] The Agent's final statement referred to the 'highest and best use' of the Subject is that of an income producing apartment.

Board Analysis

[30] After careful deliberation and reviewing *The Cities Act* and other referenced material, the Board considered:

1. Providing an alternative method, (The Income Approach), for assessment does not prove an error on the Assessor's part.
2. Referencing real estate listings, actual sale prices, average sale prices per unit etc have no relevance to assessments. All assessments are done by mass appraisals, not by individual entities. Also, base dates must be adhered to when developing assessment models.
3. The 73 of the 280 condo sales are directly comparable to the Subject; they are apartment style condos. 36 of the sales are corner units. The subject building is comprised of 22 individual condos, all of which are corner units.
4. The real estate listing contained accurate information – "there are 22 units each with a separate title and each could be used as a rental unit or sold." The buyer knew he/she was purchasing 22 separate units at one time.
5. The Agent frequently mentioned that the best use of the Subject building is that of rental apartments; the real estate listing does indicate that individual units could be sold.
6. The Agent frequently acknowledged that the units in the building have separate titles and are registered as condominiums but wants them assessed differently.
7. The Subject building is registered with Information Service Corporation (IC) as a condominium with 22 titled units. The buyer purchased all 22 titled units and has the option of changing the registration plan registration.
8. The difference between the total assessed value of Subject building condos (\$3,260,400) versus the multi-resident building of 5 one-bedroom suites and 17 two-bedroom suites assessment of (\$1,870,365) would make changing the registration plan a solid financial decision.
9. The Agent asserts that changes to the registration plan to place the Subject building under one title is irrelevant to this Appeal. The Board thinks it is relevant.

The Board realizes that this one modification would address the owner's decision to use the units as income rental units and lower the assessed value.

10. The same can be said of the square footage, if the owner decided to maintain the registration with the condominium plan, he/she could have the square footages adjusted with a request to do so. Assessments with the adjusted square footage could then be calculated.
11. The arguments that square footages from blueprints to those registered with ISC, to those used by Assessors, to Agent measurements are irrelevant. What is relevant is Assessor's use the square footage measurements listed on Condo titles. Assessors cannot legally change information on a title.
12. The Assessor correctly assessed each unit as fee simple according to *The Condominium Property Act, 1993* which governs condominiums. Section 5 of that act relates to fee simple.
13. The Agent verbally testified that the Subject building was built in 1979 and registered in 1985 as a condominium. The 20-day submission states that the Property was built as condos. Through the course of all the years, it has been used as rental property and has been listed as possible individual sale units. Something multi-residential rental buildings cannot do.
14. The Assessors "think" it was registered as a condominium from the onset.
15. The board recognizes that the requests at the conclusion of the Agent's rebuttal do not directly refer to the grounds stated in the NOA.

[31] The Board rules the Assessor apply to unit 21 of the Subject building a 19% unfinished reduction and to unit 22 a 42% unfinished reduction.

[32] The Board rules that the Assessor did not err in the calculation of the property valuation of the Subject Property.

[33] The Board rules that the Assessor followed mass appraisal practises as outline in *The Cities Act*.

[34] The Board rules that the Assessor used fair and just proportion as directed by *The Cities Act* when determining the assessment.

[35] The Board rules the assessor did maintain equity when determining the current assessment of the Subject Property.

[36] The Board rules that the valuation model for the Property should remain that of the sale comparison cost approach for condos and not the Income Approach for multi-residential apartments.

Decision

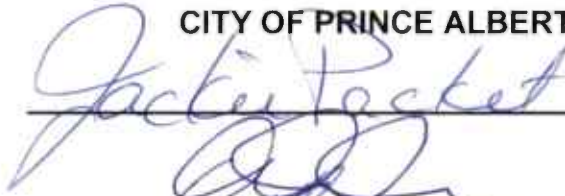
[37] The Board dismisses the Appeal on all grounds.

[38] The assessment will remain at \$143,400 total assessed value.

[39] The filing fee shall be retained.

DATED AT PRINCE ALBERT, SASKATCHEWAN THIS 10th DAY OF JULY, 2024.

CITY OF PRINCE ALBERT BOARD OF REVISION



Jackie Packet, Chair

I concur:



Ralph Boychuk, Member

I concur:



Dan Christakos, Member