

2016

ASSESSMENT METHODOLOGY

RESIDENTIAL CONDOMINIUM

A summary of the methods used by the City of Edmonton in determining the value of residential condominium properties in Edmonton for assessment purposes.

edmonton.ca/assessment

Edmonton

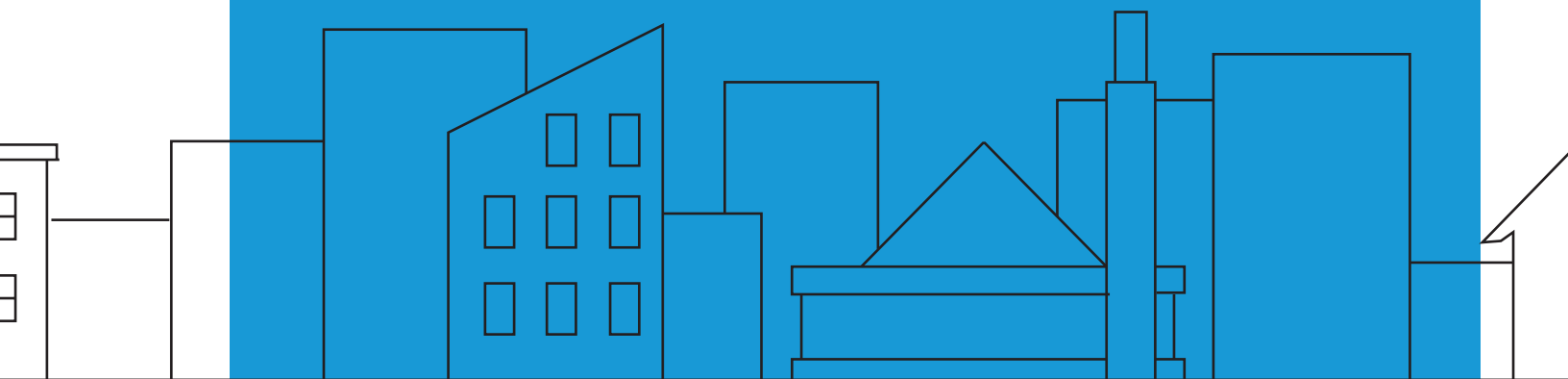



Table of Contents

Scope.....	3
Introduction.....	3
Mass Appraisal.....	5
Valuation Models	7
Sample Assessment Detail Report.....	8
Approaches to Value	9
Property Groups.....	9
Zoning	10
Location	11
High-Rise Condominium Units	11
Low-Rise Condominium Units	11
Townhouse Condominium Units	12
Parking Stall Condominium Units	12
How Residential Condominiums are Measured.....	14
Variables.....	14
Variable Definitions.....	16
Adjustments.....	25
Other Definitions	26
Provincial Quality Standards	28
References	28
Appendix.....	29
Zone Chart: Residential.....	29
Measure Conversion Chart	30

Scope

This guide is an aid in explaining how properties are valued for assessment purposes. It sets out the valuation method and procedure to derive market values. The information presented in this guide is aimed at deriving values for a group of properties with similar property characteristics. In some circumstances, not every property's valuation parameters will be covered.

The guide is intended as a tool; it is not intended to replace the assessor's judgment in the valuation process.

This icon  signifies when legislation is quoted.

Introduction

The Alberta assessment and taxation system is based on the laws outlined in the *Municipal Government Act*, RSA 2000, cM-26 [MGA], and all associated regulations, including, for example *Matters Relating to Assessment and Taxation Regulation*, Alta Reg 220/04 [MRAT].

The MGA requires the assessment of property be prepared using mass appraisal. Properties are valued based on a valuation date of July 1, 2015 and the property's condition of December 31, 2015. Many of these terms are defined in the legislation.



s.284(1)(r) “**property**” means

- (i) a parcel of land
- (ii) an improvement, or
- (iii) a parcel of land and the improvements to it

MGA s.284(1)(r)

s.1(n) “**regulated property**” means

- (i) land in respect of which the valuation standard is agricultural use value,
- (ii) a railway,
- (iii) linear property, or
- (iv) machinery and equipment

MRAT s.1(1)(n)

s.6(1) the **valuation standard** for the land and improvements is market value unless subsection (2)... applies

MRAT s.6(1)

s.1(1)(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

MGA s.1(1)(n)

s.2 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

MRAT s.2

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

MGA s.289(2)(a)

s.3 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

MRAT s.3

s.1(k) “**mass appraisal**” means the process of preparing assessments for a group of properties using standard methods and common data and allowing for statistical testing

MRAT s.1(k)

While there are many forms of ownership, the legislation requires the City of Edmonton to assess the fee simple estate. The fee simple estate is unencumbered by any other interest or estate, and subject only to the limitations of government.

fee simple – in land ownership, complete interest in a property subject only to governmental powers

Glossary for Property Appraisal and Assessment, p. 56

In summary, a property assessment is:

- an estimate of the property's market value on July 1, 2015
- prepared using mass appraisal
- an estimate of the value of the fee simple estate in the property
- a reflection of the property's condition on December 31, 2015
- prepared assuming typical market conditions on the open market by a willing seller to a willing buyer

Mass Appraisal

Mass appraisal is the legislated methodology used by the City of Edmonton for valuing individual properties, and involves the following process:

- properties are stratified into groups of comparable property
- common property characteristics are identified for the properties in each group
- a uniform valuation model is created for each property group

property characteristic: A feature that helps to identify, tell apart, or describe recognizably, a distinguishing mark or trait

www.thefreedictionary.com



27.1(c) “valuation model” means the representation of the relationship between property characteristics and their value in the real estate marketplace using a mass appraisal process

MRAT s.27.1(c)

The following two quotations indicate how the International Association of Assessing Officers distinguishes between mass appraisal and single-property appraisal:

... “single-property appraisal is the valuation of a particular property as of a given date: mass appraisal is the valuation of many properties as of a given date, using standard procedures and statistical testing.”

... “Also, mass appraisal requires standardized procedures across many properties. Thus, valuation models developed for mass appraisal purposes must represent supply and demand patterns for groups of properties rather than a single property.”

Property Appraisal and Assessment Administration, pg.88-89.

For both mass appraisal and single-property appraisal, the process consists of the following stages:

	Mass Appraisal	Single Appraisal
Definition and Purpose	Mass appraisal is used to determine the assessment base for property taxation in accordance with legislative requirements	The client specifies the nature of the value to be estimated, including rights to be valued, effective date of valuation, and any limiting conditions
Data Collection	Mass appraisal requires a continuing program to maintain a current database of property characteristics and market information.	The extent of data collection is specific to each assignment and depends on the nature of the client’s requirements
Market Analysis	Mass appraisal is predicated on highest and best use	Market analysis includes the analysis of highest and best use
Valuation Model	Valuation procedures are predicated on groups of comparable properties	Subject property is the focus of the valuation. The analysis of comparable properties is generally six or less
Validation	The testing of acceptable analysis and objective criteria	The reliability of the value estimate is more subjective. Acceptability can be judged by the depth of research and analysis of comparable sales

Valuation Models

A valuation model creates an equation of variables, factors and coefficients that explains the relationship between estimated market value and property characteristics.



s.27.1(a) **“coefficient”** means a number that represents the quantified relationship of each variable to the assessed value of a property when derived through a mass appraisal process

(b) **“factor”** means a property characteristic that contributes to a value of a property;

(d) **“variable”** means a quantitative or qualitative representation of a property characteristic used in a valuation model

MRAT, s.27.1 (a), (b) and (d)

s.27.3(1) ...information that is required to be provided...does not include coefficients

MRAT, s.27.3(1)

Valuation Model

- variables are created from property characteristics
- analysis of how variables effect market value
- factors and coefficients are determined
- the resulting valuation models are applied to property characteristics

Depending on the property type multiple regression analysis or other mass appraisal techniques are used to determine variables, factors and coefficients.

“Multiple Regression Analysis (MRA): a statistical technique used to analyze data to predict market value (dependent variable) from known values of property characteristics (independent variables)”

Property Appraisal and Assessment Administration, p. 653

An assessed value is calculated by applying the appropriate valuation model to individual properties within a group.

Sample Assessment Detail Report

The variables and the factors used to calculate each individual property assessment are displayed in the Direct Sales Approach Summary .



Assessment Detail Report ANNUAL REALTY ASSESSMENT DETAILS 2016

Tax Roll Account 10000000 Taxation year 2016 Date of mailing 04-JAN-2016 Date of request 04-JAN-2016 11:48
Property Address 10010 SAMPLE AVENUE NW Property Assessment \$382,500

Property Details

Unit Of Measure METRIC

Legal Plan: 0999999 Unit: 99
Neighborhood 5180 - ERMINESKIN
Effective Zoning RA9 - High Rise Apartment District
Actual Zoning DC2 - Comprehensively Planned Development District
Lot Size 71.590 M2 .007 Ha Site Coverage Percent %
Tax Class / Land Use / Taxable Status:
RESIDENTIAL
100 % 152 - CONDOMINIUM HI-RISE UNIT
01-JAN-2016 To 31-DEC-2016 100 % FULLY TAXABLE

Property Characteristics

Site Attributes			
Traffic Exposure	LIMITED TRAFFIC EXP	Exposure Types	SOUTH
Other Parking	HTD UNDERGROUND	Unit/Suite Location	END UNIT
Apartment View	PRIMARY-LIMITED		

Building Details							
No.	Market Building Class	%Comp	Condition	Yr Built	Eff Yr Built	Gross Area	Net Area
1	MAIN LEVEL AND CONCRETE SLAB HIGH RISE APARTME	100	AVERAGE	2009	2009	102.700	102.700
Bedrooms	2		Full Bath		1		
Half Bath	1		Building Type		HIGH RISE		
Balcony Type	OPEN		Average Balcony Size		22		
Intercom System	Y		Elevators		2		
Unit Type	ORIGINAL		Top Floor		Y		

Direct Sales Approach Summary

Factors

Variables

BUILDING	UNIT SIZE	102.7
BUILDING	EFFECTIVE YEAR BUILT	2009
BUILDING	TWO BEDROOM (1=YES)	1
BUILDING	AIR CONDITIONING	NO
BUILDING	UNIT OR BUILDING CONDITION	AVERAGE
BUILDING	UNIT RENOVATIONS/UPGRADES	ORIGINAL
BUILDING	UNIT LOCATION	ENDUNIT
BUILDING	UNIT-FLOOR LEVEL	8
BUILDING	UNIT EXPOSURE	SOUTH
BUILDING	TOP FLOOR LOCATION	1
ACCOUNT	TRAFFICE	NONE
ACCOUNT	NEIGHBOURHOOD	5180
Account	CONDO COMPLEX FACTOR	1.02

Property Assessment 382,500

The information is collected for property assessment interpretation purposes only. While the City of Edmonton provides this information in good faith, it does not warrant, covenant, or guarantee the completeness and accuracy of the information. The City does not assume responsibility nor accept any liability arising from any use other than assessment interpretation. The information is maintained on a regular basis and reflects the contents of the Assessment per the stated date/time of this document. This information is proprietary and may not be reproduced without consent from The City of Edmonton.

Approaches to Value

The most common approaches to determine market value are the sales comparison, income, and cost. Each emphasizes a particular kind of market evidence.

Sales Comparison Approach

Typical market value (or some other characteristic) is determined by referencing comparable sales and other market data. It is often used when sufficient sales or market data is available. It may also be referred to as the Direct Comparison Approach

Income Approach

This approach considers the typical actions of renters, buyers and sellers when purchasing income-producing properties. This approach estimates the typical market value of a property by determining the present value of the projected income stream. Often used to value rental or leased property

Cost Approach

Typical market value is calculated by adding the depreciated replacement cost of the improvements to the estimated value of land. It is often used for properties under construction or when there is limited market data available

Property Groups

The use of a property determines the property groupings and the valuation model applied.



use: *is the purpose or activity a property is designed, arranged, developed or intended for, or is occupied or maintained as*

Zoning Bylaw No. 12800, 2014, s. 6.1(108)

Residential Condominiums are single dwelling units that are typically part of a larger building site or complex. These units are registered as separate titles, and therefore can be bought and sold separately. They can include living units, storage units, parking units and common area units.

For this property group, the assessment is determined using the sales comparison approach. It is the most appropriate method of valuation for Residential Condominium properties in the City of Edmonton as it mirrors the actions of buyers and sellers in the market place. There is sufficient sale data to derive reliable market estimates.

The income approach is not used in the valuation of this property group as this approach is more applicable to income producing properties or in limited markets. The majority of these properties in this inventory are owner occupied with only a small portion of the inventory traded based on the property's ability to generate income.

The cost approach may be used to determine the value of residential condominiums while under construction and partially complete. Once construction is completed, residential condominiums are valued using the sales comparison approach.

The City of Edmonton validates all land title transactions (sales). The validation process can include site inspections, interviews with parties involved, a review of land title documents, corporate searches, third party information, and sale validation questionnaires.

The City of Edmonton reviews three years of sales occurring from July 1, 2012 to June 30, 2015 for valuation of Residential Condominium property. There were approximately 20,000 sales included in the condominium valuation models. Time adjustments are applied to living unit sale prices to account for any market fluctuations occurring between the sale date and the legislated valuation date.

Sale price reflects the condition of a property on the sale date and may not be equal to the assessment.

Zoning

The rules and regulations for land development within Edmonton are contained in the Zoning Bylaw, No. 12800.



*s.6.1(111) **zone:** is a specific group of listed use classes and development regulations which regulate the use and development of land within specific geographic areas of the City*

Zoning Bylaw No. 12800, 2014, s. 6.1(111)

Residential land use zones vary in part due to density.



*s.6.1(23) **density:** is the number of dwellings on a site expressed as dwellings per hectare when referring to residential related development*

Zoning Bylaw No. 12800, 2014, s. 6.1(23)

A residential zone summary is in the appendix.

Not all property conforms to the zoning use set out in the Zoning Bylaw. In these cases, an effective zoning is applied to reflect the current use of the property. The effective zoning may differ from the actual zoning when the current use differs from the Zoning Bylaw (e.g., a legal nonconforming use).



643(1) If a development permit has been issued on or before the day on which a land use bylaw or a land use amendment bylaw comes into force in a municipality and the bylaw would make the development in respect of which the permit was issued a non-conforming use or non-conforming building, the development permit continues in effect in spite of the coming into force of the bylaw

MGA, s. 643(111)

Location

Location references not only a particular parcel of land, but also describes larger geographic areas.

Study Area: is a grouping of multiple complementary neighbourhoods with borders defined by major arterial roads and natural boundaries within the municipal corporate limits. High-rise condominiums have two study areas and low-rise condominiums have three study areas. The townhouse condominium inventory consists of six market/study areas outlined on the map on page 12.

There are four distinct valuation models for the residential condominium inventory. Specifically there are separate models for low-rises, high-rises, townhouses and parking stalls. The classification of the type of condominium unit determines under which valuation model it falls. Study areas are not a variable that is directly influencing the assessment values. Location (neighbourhood) is the driving factor that influences assessments.

High-Rise Condominium Units

Condominium units are under the high-rise classification when they are “apartment style” and the condominium complex building has dwellings located on six stories or greater. The condominium plan registered with Alberta Land Titles has sufficient information to determine the classification for each registered condominium unit.

“apartment style” refers to a residential structure with several individual apartments with a common entrance and hallway.

Study Area	Boundaries
North	includes all neighbourhoods which contain high-rise condominiums, and which are located north of the North Saskatchewan River
South	includes all neighbourhoods which contain high-rise condominiums, and which are located south of the North Saskatchewan River.

Low-Rise Condominium Units

Condominium units are under the low-rise classification when they are “apartment style” and the condominium complex building has dwellings located on five stories or less. The condominium plan registered with Alberta Land Titles has sufficient information to determine the classification for each registered condominium unit.

“apartment style” refers to a residential structure with several individual apartments with a common entrance and hallway.

Study Area	Boundaries
------------	------------

Study Area	Boundaries
North	includes all neighbourhoods (other than neighbourhoods in the Central market Area) which contain low-rise condominiums, and which are located north of the North Saskatchewan River.
South	includes all neighbourhoods (other than neighbourhoods in the Central market Area) which contain low-rise condominiums, and which are located south of the North Saskatchewan River.
Central	the central core of the City consisting of the following five neighbourhoods: Downtown, Oliver, Rosedale, Garneau, and Strathcona.

**"apartment style" refers to a residential structure with several individual apartments with a common entrance and hallway.*

Townhouse Condominium Units

The criteria and definitions below are the factors that determine whether a condominium unit falls under the "townhouse" area.

The traditional townhouse or row house is the largest component of this inventory. Townhouse and row house condominium units are condominiums that have two or more units per building. They usually are arranged in rows and may contain living space on multiple levels. The townhouse inventory can consist of single detached homes, duplexes, fourplexes, row housing or carriage or coach homes.

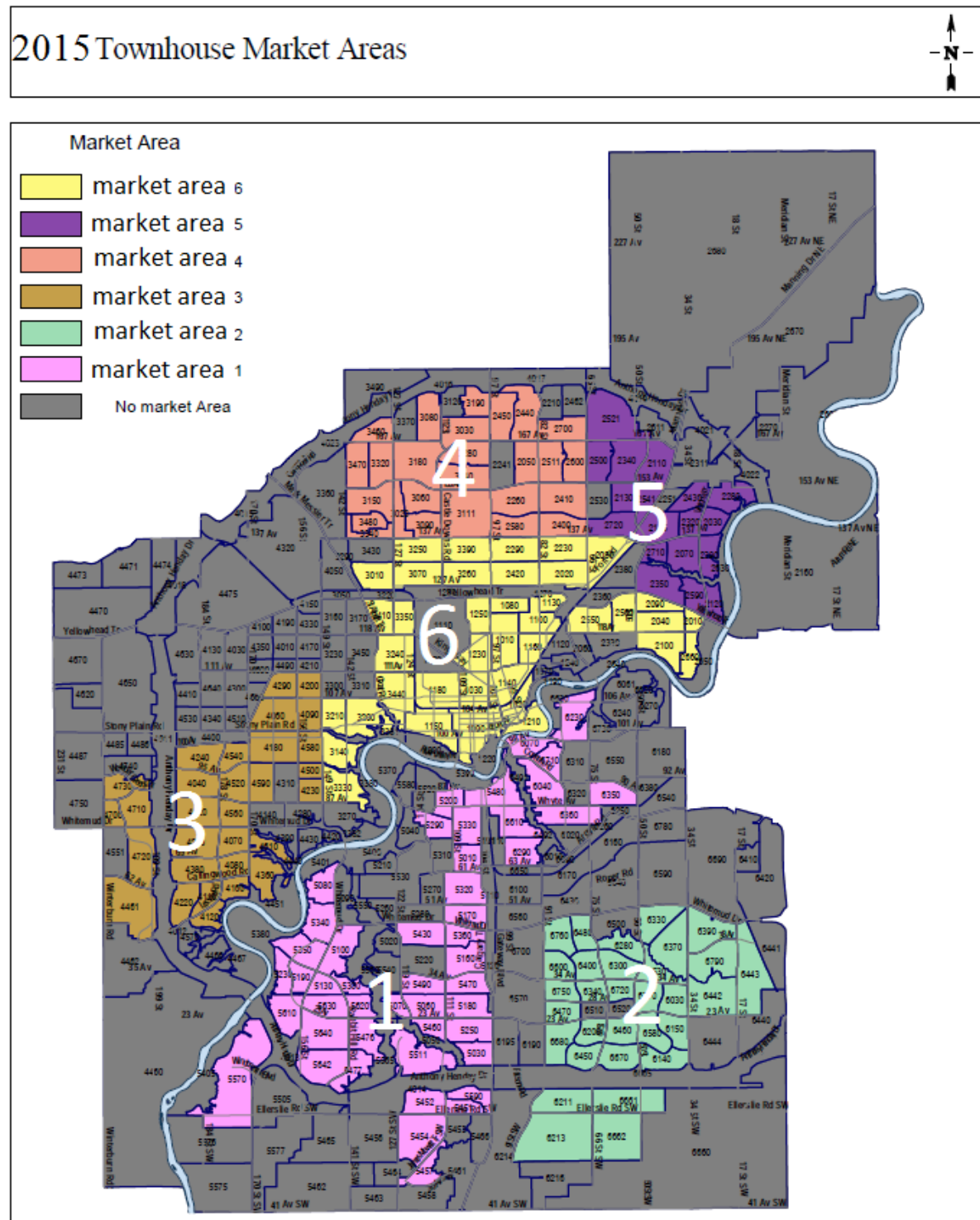
Bareland condominium units are similar in appearance to a townhouse unit, except the registered condominium plan states it is a bareland condominium, with the associated ownership characteristics. They can be located in more private, gated communities and higher value units can often have a similar physical appearance to that of a house or single family dwelling.

A coach home is much like an apartment except that it has external dwelling access and no internal building dwelling access. They are located side by side with stacked units, one on top of the other. There may be a combination of carriage homes and townhouse units in the same project in which case each condominium unit account is classified in the appropriate category.

Parking Stall Condominium Units

These are titled parking stalls, storage units or common areas that have distinct legal descriptions. They are predominantly located in high-rise and low-rise condominium complexes, but occasionally occur in the townhouse condominium inventory. There is one valuation model that encompasses condominiumized parking stalls, storage units and if applicable common areas.

market area



Each number within each of the 6 market areas are individual neighbourhoods.

How Residential Condominiums are Measured

Low-rises, high-rises, parking stalls, storage and common area units are measured by taking the size off the registered condominium plan for each registered legal unit. Condominium plans are registered through Alberta Land Titles. The City of Edmonton does not determine measurements for these types of condominiums. Typically, they are measured by a surveyor or engineer who is creating a new plan or new legal descriptions for the development. Each condo unit will have a size referenced on the plan. This process usually occurs so the developer can sell or transfer individual condominium units.

For the townhome condominium inventory, building area size measurements are based on the external building envelope measurements, less any internal missing floor area (Stairwells are considered as assessable net area and are not removed as part of internal missing floor area). Measurements for townhome condominium properties can be obtained by City of Edmonton staff reviewing building plans and city record related information, or physical on-site measurements.

Variables

Below is the list of variables that affect the 2016 assessment values. The variables for each residential condominium valuation model are listed in alphabetical order.

Townhouse Condominium Units		
Air Conditioning	Basement Area	Bathrooms
Building Net Area	Condition	Effective Year Built
Elevator	Fireplace	Garage / Carport Size
Land Use Code	Lot Size	Market Condominium Complex Factor
Model Type	Neighbourhood	Ownership Factor
Party Room	Quality	Renovations / Unit Type
Structure Type	Traffic Influence	Unit Location
View / Influence –Primary and Secondary	Walkout Basement	

High-rise and Low-rise Condominium Units		
Air Conditioning	Balcony	Bedrooms / Dens / Lofts / Penthouse
Building Net Area	Condition	Effective Year Built
Elevator	Fireplace	Floor Level
Land Use Code	Market Condominium Complex Factor	Neighbourhood
One Unit Per Floor	Ownership Factor	Parking Location
Quality	Renovations / Unit Type	Structure Type
Traffic Influence	Unit Location	View / Influence – Primary and Secondary

Parking, Storage Units	
Building Net Area / Unit Size	Effective Year Built
Neighbourhood	Market Condominium Complex Factor
Type of Parking Stall	Land Use Code

Variable Definitions

Air conditioning

- Y/N – Does the property have air conditioning?

Balcony

- An outdoor platform that projects from the wall of a building and may be supported by columns or brackets and can be enclosed for safety in some manner. It can be located at grade or above grade or below grade. Only the presence of a balcony (Yes or No) in the low-rise and high-rise model is impacting market value.

Basement Area

- The floor of a building partly or entirely below ground level – no egress. Area based on exterior measurements less basement garage. Is a component that adds to market value within the townhome inventory.

Bathroom

- **Full** – number of full bathrooms (sink, toilet separate shower and bath or combo)
- $\frac{3}{4}$ – number of three-quarter bathrooms (sink, toilet and either bath or shower. Not both)
- $\frac{1}{2}$ – number of half bathrooms (sink & toilet)

This variable is only a factor in determining market value for the townhome inventory.

Bedroom or Space Type

- The number of bedrooms in a living unit.
- For the **Townhouse Condominium Unit** inventory, this variable is for information only and does not affect the assessment.
- For the **Low-rise and High-rise Condominium Unit** inventories, the number of bedrooms or space type is an important variable that is classified as follows:
 - 1BDRM – 1 Bedroom
 - 2BDRM – 2 Bedroom
 - 3BDRM – 3 Bedroom
 - 4BDRM – 4 Bedroom
 - 1BDRMWD – 1 Bedroom with Den
 - 2BDRMWD – 2 Bedroom with Den
 - 3BDRMWD – 3 Bedroom with Den
 - 2BDRMWL – 2 Bedroom with Loft
 - 3BDRMWL – 3 Bedroom with Loft
 - PENT – Penthouse
- **Den:** An enclosed area or nook within a condominium unit where people can pursue activities. They may or may not have closets.
- **Loft:** An open area in a condominium unit extending from an upper floor where there are no partitions or doors.
- **Penthouse:** A condominium unit that is either a low-rise or high-rise unit usually located on the highest floor of a building. They are normally more luxurious compared to other units within the building and are larger in terms of square footage. Occasionally they can be located below the

highest floor, but they usually occupy their own floor and are superior to typical units in the condominium complex.

Building Area Variables Influencing Assessment Values

- **Building Net Area:** The above grade living area of a townhouse or low-rise / high-rise condominium unit. For low-rise and high-rise condominium units would only have a building net area.
- **Basement Area:** Area of a townhouse unit that is either completely or partially below the ground floor
- **Basement Finish:** A basement area that has been designed and finished, either during construction or at a later point, to function as a fully habitable space within the townhouse.
- **Lower Level Area:** For split level townhouses this is the floor area between the main floor and the basement which is partially below grade.
- **Lower Level Finish:** For split level townhouses this is where the lower level has been finished into living area.
- **Loft:** An open area in a condominium unit extending from an upper floor where there are no partitions or doors.
- **Solarium:** A glass enclosed room or living area which is part of or an extension to an existing structure.
- **Parking/Storage/Common Unit:** The size designated on the condominium plan.

Condition of Improvement (applies to exterior maintenance)

Poor

- deterioration is at a point where major repairs and/or replacements are required.
- typically Poor Condition indicates structural or foundation issues.

Fair

- discernable deterioration;
- deferred maintenance requiring rehabilitation and/or replacement resulting in reduced functional utility.

Average

- normal deterioration for the effective age of the improvements;
- minor repairs or rehabilitation of some components required.

Good

- slight evidence of deterioration in minor components;
- well maintained; attractive, desirable, and high utility.

Effective Year Built: Represents the actual year of construction of the building, adjusted to reflect the building's condition and utility. For example, a property that has been substantially renovated may have an effective age that is newer than its actual age. Similarly, a property that has been left without important maintenance and is in poor condition may have an effective age that is older than its actual age. Effective age is generally more important in establishing value than the chronological age since it measures the subject property in comparison to a typical property with respect to utility and condition for the year it was built.

Elevator – This positively affects value in the low-rise and townhome model

- Y/N

Floor Level

- The floor level location where a living unit is situated within the condominium complex (e.g, 2nd floor). A factor in determining market value, e.g. living units on higher floor levels typically generate higher market values due to desirability.

Garage – Type & Size

Garage area: The area of a garage that may be attached or detached from a house. Attached garages can be constructed on grade, or as part of the basement or lower level of the house. Is only applicable to the townhome and the low-rise inventory.

- Carport - Are any roofed open structures without enclosed walls, used to offer limited protection from the elements, for vehicles or other storage.
- Attached – shares common wall(s) with other structures
- Detached – free standing
- Basement – extends into basement level below grade
- Garage mixed with building area – may be a combination of an attached and basement garage

Land Use Code (LUC)

A code that is assigned by the City of Edmonton for classification purposes to a particular property type. This determines whether it falls into the townhouse, low-rise, high-rise or parking stall model. They typically are information only for internal classification purposes. The Land Use Code is not a variable in determining value. The only exceptions would be for rental related land use codes, storage and common area units where the land use code is a factor in determining value.

Townhouse Condominium Units

150 CONDOMINIUM TOWNHOUSE UNIT

Townhouse and rowhouse condominium units with two or more units per building. Is the largest component of our inventory.

151 CONDOMINIUM DETACHED UNIT

Freestanding unit, usually found in a portion of the project or development (corner land location) large enough to accommodate only one dwelling.

156 BARELAND CONDOMINIUM UNIT (ROWHOUSE)

Similar to LUC 150 and 151 in physical appearance, except the registered condominium plan states it is a bareland condominium, with the associated ownership characteristics.

170 RENTAL CONDOMINIUM TOWNHOUSE UNIT

Townhouse and rowhouse condominium units with two or more units per building. They are identified as rental complexes as the majority of units are owned by one owner or have less than five individual owners.

174 RENTAL CARRIAGE HOME CONDOMINIUM UNIT

A coach home, usually like an apartment except that it has external dwelling access and no internal building dwelling access. Located side by side and stacked units, one on top of the other. There may be a combination of carriage homes and townhouse units in the same project, in which case each account gets its respective LUC applied. They are identified as rental complexes, as the majority of units are owned by one owner or have less than five individual owners.

184 CARRIAGE HOME CONDOMINIUM UNIT

A coach home, usually like an apartment except that it has external dwelling access and no internal building dwelling access. Located side by side and stacked units, one on top of the other. There may be a combination of carriage homes and townhouse units in the same project, in which case each account gets its respective LUC applied.

High-Rise Condominium Units

152 CONDOMINIUM HI-RISE UNIT

Unit in a high-rise apartment building with dwellings on six or more stories.

172 RENTAL CONDOMINIUM HI-RISE UNIT

Unit in a high-rise apartment building with dwellings on six or more stories. They are identified as rental complexes, as the majority of units are owned by one owner or have less than five individual owners.

Low-Rise Condominium Units

153 CONDOMINIUM WALK-UP UNIT

Unit in a low-rise apartment building with dwellings up to and including five stories. Includes all bareland apartment units as well.

173 RENTAL CONDOMINIUM WALK-UP UNIT

Unit in a low-rise apartment building with dwellings up to and including five stories. Includes all bareland apartment units as well. They are identified as rental complexes, as the majority of units are owned by one owner or have less than five individual owners.

Parking Stalls, Storage Units and Common Area Units

157 CONDOMINIUM WITH SECONDARY USE

Individually owned condominium units developed in buildings or structures that do not conform to any other LUC description. Reserved for storage units or mailboxes.

158 CONDOMINIUM ACCESSORY BUILDING UNIT

This LUC is reserved exclusively for condominium parking stall units (both surface and parkade)

159 OTHER CONDOMINIUM UNIT

Reserved for common property buildings or structures and/or parts thereof (e.g., clubhouse, community hall, condominium association storage buildings). Building portions in common area that extend beyond the unit's interior living space.

Lot size

- The amount of land area associated with each condominium unit determined through unit factors. It is a variable used to determine market value in the townhouse inventory.

Model Type (For Townhouse Model Only)

- Duplex Housing – 2 units in one building - side by side or up and down
- Triplex Housing – 3 units in one building - side by side, back to back or up and down
- Fourplex Housing – 4 units in one building - side by side, back to back or up and down
- Multiple Housing more than 4 units – Side by Side – multiple units in one building attached by side walls
- Multiple Housing more than 4 units – Back to Back – multiple units in one building attached by back walls and side walls
- Free Standing Condominium Units – condominium units that are not attached to any other units

Neighbourhoods

- Neighbourhoods as defined by the City of Edmonton (see City of Edmonton website link below for maps).

http://www.edmonton.ca/residential_neighbourhoods/your-neighbourhood.aspx

One Unit Per Floor

- One living unit encompasses the entire floor – may increase market value due to desirability.

Parking Types

- **Covered stall** - Parking above ground that has some roof protection from the outside elements.
- **Surface stall** – Parking above ground that is not covered or has no protection from the outside elements.
- **Parkade stall** – Parking in an enclosed structure, either heated or non-heated.

Parking Location

- Underground
- Street parking only
- RV
- Surface
- Covered

Party Room

- The townhouse model is the only model that has only the “party room” variable included.
- A party room is a separate room/area within the condominium complex that is common area available to be booked by unit owners for social functions. Only the presence (either yes or no) of a party room in the townhouse model affects value.

Quality Classifications

- **Fair (03):** This quality satisfies present demands for moderate cost energy efficient housing. The exterior usually has a common style. It has an adequate floor plan, finishes are fair to average quality materials, and there is little or no attention given to decorative features.
- **Standard (04):** This quality represents average project housing that meets building requirements for the era. The exterior is a typical style that is generally rectangular and may include entry porches or verandas. The floor plan is functional, and finishes are normally

limited to standard quality pre-manufactured materials with a minimum number of decorative features.

- **Semi-Custom (05):** This semi-custom quality represents above average housing exceeding building requirements for the era. There is more attention to the exterior details. Architectural design is used in living areas of all “move up” home construction. The floor plan is functional with a sense of spaciousness. Finishes are generally upgraded with a mixture of standard and better quality materials with decorative features. A minimum number of interior construction features, such as book cases, paneled feature walls, sunshine ceilings, telephone desks, wet bar, etc. may be encountered.
- **Custom (06):** This custom quality represents good housing exceeding building requirements for the era. It may be contract built. The exterior has an attractive style. The floor plan is functional, with an open design concept creating a sense of spaciousness. Architectural design is used in living areas of all “move up” home construction. Finishes are good quality materials and workmanship. A number of interior features will be present, such as home theater rooms, niches, built in book cases, home automation system, security system, intercom system, paneled feature walls, minimal crown moldings, sunshine ceilings with oak trim, telephone desks, wet bar, etc. may be present.
- **Good custom (07):** This class represents a good to expensive quality; energy efficient housing that is normally custom or contract built and, on occasion, may be constructed under the supervision of an architect. Large verandas or covered entrance ways are common with large or stylish columns. The exterior style may be innovative. The interior design often shows originality, includes built-in features and has spacious rooms. A number of interior features will be present, such as home theater rooms, niches, built in book cases, home automation system, security system intercom system, paneled feature walls, extensive crown moldings, sunshine ceilings with oak trim, telephone desks, wet bar, etc. Attention to detail is evident. Finishes in this quality are normally the best pre-manufactured or good to expensive materials.
- **Expensive (08):** This expensive quality represents unique design and style in housing exceeding building requirements for the era. It is contract built under the supervision of an architect and is commonly built on large sites in prime residential neighborhoods. The exterior often has large window areas. Exterior finishes are selected for their attractiveness and durability, and may consist of limited amounts of costly ornamentation. The interior design is innovative with a considerable number of built-in features. Rooms are usually spacious and the floor plan often includes special purpose rooms. Decorative features and finishes are normally selected from expensive materials and attention to detail is evident.
- **Luxurious (09):** This luxurious quality represents the ultimate in housing exceeding building requirements for the era. It is contract built under the supervision of an architect. It is situated on large exclusive sites, and is characterized by abundance of large windows and a unique roof style. The exterior is innovative with finishes selected for attractiveness and durability including costly ornamentation. The interior design is unique and exquisite to meet individual specifications and taste. Rooms are spacious and floor plan includes special purpose rooms including many built-in features. Finishes are of luxurious quality materials and may be imported. Decorative features and workmanship is the highest quality with elaborate detail.

Renovations / Unit Types (applies to interior condominium unit maintenance)

- **Minor (or Upgrade1)** - is typically cosmetic modernization of a unit, involving new paint, flooring, electrical fixtures, countertop, cabinet doors and interior doors painted. It can also be used to identify a unit of superior quality than those typically found within a newly constructed complex.
- **Moderate (or Upgrade2)** - is full renovation of unit, including all items in Minor renovations plus new kitchen and bathroom cabinetry, countertops, electrical and plumbing fixtures. Moderate renovation involves better than original quality of construction.
- **Major (or Upgrade3)** - Is a full renovation of a unit including all items in moderate renovations. The quality of renovations exceeds that of the moderate category and is more customized. Often renovations are professionally designed and/or implemented.
- **Derelict** - uninhabitable.
- **Deferred Maintenance** - general maintenance of the unit has not been maintained; a few items need immediate repair.
- **Original** - average maintenance has taken place.

Structure Type (Typically For Townhome Only)

- Split-level – three or floor levels of living space off-set
- 1 storey – one storey with or without basement
- Bi-level – one storey with basement with a split entry
- 2 Storey – two full stories with or without basement
- 2 ½ Storey – two full stories with or without basement plus a third level with exterior walls that are less than full height, e.g. less than 2.4 metres
- 3 Storey – three full stories with or without basement

Traffic Influence

- Traffic influences affecting the unit or dwelling, based on Average Annual Weekday vehicle counts as reported by the City of Edmonton Transportation and Streets Department.

None	0	0 to 4999 vehicles per day
Minor	1	5,000 to 9,999 vehicles per day
Moderate	2	10,000 to 19,999 vehicles per day
Major	3	20,000 to 29,999 vehicles per day
Extreme	4	30,000 to 49,999 vehicles per day
Mega	5	>50,000 vehicles per day

Details regarding traffic flow can be found at:

http://www.edmonton.ca/transportation/traffic_reports/traffic-reports-flow-maps.aspx

Unit Location (Residential Condominium)

- Location within the building of the unit or dwelling relative to others within the building.

Inside Unit – one or two outside walls	1	Inside back to back	2
End Unit – three outside walls	3	Corner Unit – two outside walls at right angles	4
One Unit Per Floor	5	Free standing – not attached to other structures	6
Other	7	Front back to back	8
Rear back to back	9	Front corner back to back	10
Rear corner back to back	11	Upper unit – coach / carriage home	12

Views or Influence (Interchangeable term describing the same thing)

- **Primary view (VIEW1)** – the dominant or most significant view from a unit or dwelling affecting its market value.
- **Secondary view (VIEW2)** – a less significant view from a unit or dwelling affecting its market value.
- Each unit or dwelling has a maximum of one primary view and one secondary view.
- View descriptions are based on:
 - Row house – the view from the backyard;
 - Back to back unit – the view from the front of the unit; or
 - Apartment or carriage home – view from the living room/balcony area.

Commercial View/Influence ****Only the open commercial view negatively affects market value for high-rises only**

- **Open:** Any condominium unit which has a major commercial view/influence in front of, behind or beside it of an active nature, such as malls, shopping centres, retail locations, food establishments, box centres and bars. This may also be used if there are three or more minor commercial view/influences which surround the condominium complex as well as two or more moderate view/influence or a combination of both surrounding the parcel of land.
- **Obstructed and Limited:** Any condominium unit which has a commercial or restaurant/pub facility in front of, behind or beside it of a minor or moderate nature, such as neighborhood strip malls, fast food facilities, neighborhood corner stores, shops and convenience stores. This may also be used if there are two minor view/influences, which surround the condominium complex.
- **Secondary Commercial and Restaurant or Pub view/influence:** any condominium unit which has a secondary or less significant view/influence affecting its market value.

Courtyard View/Influence ****An attribute positively affecting market value for low-rise condos only**

- **Open:** Any condominium unit which has unobstructed courtyard view/influence.
- **Obstructed and Limited:** Any condominium unit which has a partial or obstructed courtyard view/influence.
- **Secondary Courtyard view/influence:** any condominium unit which has a secondary or less significant view/influence affecting its market value.

Golf Course View/Influence **** An attribute positively affecting market value for all condo living units**

- **Open:** Any condominium unit which has unobstructed view/influence of a golf course.
- **Obstructed and Limited:** Any condominium unit which has a partial or obstructed view/influence of a golf course.

- Secondary Golf Course view/influence: any condominium unit which has a secondary or less significant view/influence affecting its market value.

Lake View/Influence **An attribute positively affecting market value for townhomes and low-rises

- Open: Any condominium unit which has unobstructed view/influence of a lake or large storm pond.
- Obstructed and Limited: Any condominium unit which has a partial or obstructed view/influence of a lake or large storm pond.
- Secondary Lake View/influence: any condominium unit which has a secondary or less significant view affecting its market value.

Multi-Residential or Apartment View/Influence **An attribute slightly negatively affecting market value for low-rises only

- Open: Any condominium unit which has a major multi-residential view/influence in front of, behind or beside it of an active nature. This would include high rises or even a number of moderate multi-residential surrounding the property.
- Obstructed and Limited: Any condominium unit which has a commercial or restaurant/pub facility in front of, behind or beside it of a minor or moderate nature such as walkup apartments, or medium size multi-residential complexes.
- Secondary Multi-Residential or Apartment view/influence: any condominium unit which has a secondary or less significant view affecting its market value.

Neighbourhood View/Influence (farmland, “AG” properties without development, etc.) **An attribute slightly negatively affecting market value for low-rises only

- Open: Any condominium unit which has unobstructed open view of the neighbourhood. “neighbourhood view” can be described as a general view that encompasses a significant volume of various property types and features.
- Obstructed and Limited: Any condominium unit which has a partial or obstructed open view/influence of the neighbourhood
- Secondary Open view/influence: any condominium unit which has a secondary or less significant view of the neighbourhood

Open View/Influence (farmland, “AG” properties without development, etc.) **An attribute positively affecting market value for high-rises and low-rises

- Open: Any condominium unit which has unobstructed open view/influence.
- Obstructed and Limited: Any condominium unit which has a partial or obstructed open view/influence
- Secondary Open view/influence: any condominium unit which has a secondary or less significant view affecting its market value.

Panoramic View **An attribute positively affecting market value for high-rises and low-rises

- An unobstructed and wide view of an extensive area generally in more than two compass directions.

Park View/Influence, Undeveloped Area View/Influence, or Unknown Future Development **An attribute positively affecting market value for high-rises and low-rises

- Open: Any condominium unit which has an unobstructed view/influence of a park or undeveloped green space.
- Obstructed and Limited: Any condominium unit which has a partial or obstructed view/influence of a park or undeveloped green space.
- Secondary Park view/influence or Undeveloped Area view/influence: any condominium unit which has a secondary or less significant view affecting its market value.

Ravine or River View/Influence ** An attribute positively affecting market value for all condo living units

- Open: Any condominium unit which has an unobstructed view/influence of a ravine or river.
- Obstructed and Limited: Any condominium unit which has a partial or obstructed view/influence of a ravine or river.
- Secondary Ravine or River view/influence: any condominium unit which has a secondary or less significant view affecting its market value.

Skyline View/Influence ** An attribute positively affecting market value for high-rise condo units

- Open: Any condominium unit which has unobstructed skyline view/influence
- Obstructed and Limited: Any condominium unit which has a partial or obstructed skyline view/influence.
- Secondary Skyline view/influence: any condominium unit which has a secondary or less significant view affecting its market value.

Utilities Influence **An attribute that negatively affects market value for low-rises and townhomes

- All residential condominium complexes which are located directly next to overhead transmission lines.

Walk-Out Basement

- **Walkout** – Normally built on a slope site where the foundation walls are partially exposed to allow for the installation of windows and a door. Allows for the door to open into the yard because the basement is at ground level.
- **Forced walkout** – Similar to walkout basement but with only a partial wall open to the yard.
- **Partial walkout** – A walkout basement that was built on a site that does not have a slope. The yard has been dug down to expose one of the basement walls. These areas rely on retaining walls.

Adjustments

- **Market Condominium Complex Factor**

Not all condominium complexes may decrease/increase in value at the same rate as the typical annual decrease/increase found in the time adjustment analysis. Therefore, Market Condominium Complex Factors have been applied to accounts in many cases. This factor in the vast majority of cases applies to the whole condominium complex, but there are circumstances where it applies to only a few select units. It is generally a percentage adjustment.

- **Ownership or Rental factor**

The factor applied to the condominium unit when it is a rental property. A rental complex factor recognizes that a rental complex is worth less when compared to a very similar owner occupied complex. The land use code is used to identify which condo units are rentals.

1: This ownership factor identifies complexes in which most units are owned by separate individuals or owner occupied. No adjustment applied

0.8: This ownership factor identifies complexes in which most units are owned by the same owner and are typically rentals. Downward adjustment of 20% applied.

- **Fireplace**

Number of fireplaces

Type of Fireplace – freestanding metal (wood burning), zero clearance (wood burning), gas clearance (gas fireplace), two sided (typically gas with two viewing directions), three sided (typically gas with three viewing directions), masonry (wood burning), electric

Other Definitions

The following are definitions for property characteristic data that is collected but does not influence 2016 assessment value. Any exceptions to this statement are explained in further detail below:

Adult complex

- Y/N – Is the property adult only?

Amenities

- Y/N – Does the property have: exercise room, tennis court, daycare, recreation room, party room, pool, guest room, car wash, cable television, sauna, steam room, sprinkler system?

- **NOTE:** This variable is collected when the information is available. However, amenities are not currently included in the valuation model for low-rises and high-rise condominiums. The only exception is the townhouse model that has only the “party room” variable included. A party room is a separate room/area within the condominium complex that is common area available to be booked by unit owners for social functions. Only the presence (either yes or no) of a party room in the townhouse model affects value.

The value of building amenities, if applicable is captured when analyzing assessment to sale ratios on an individual condominium complex basis.

Building Area

- **Building Gross Area** The above and below grade living area of a townhouse or low-rise / high-rise condominium unit. Other components that combine to create building gross area are included in the valuation process.
- **Pool Building:** The portion of an improvement that houses a swimming pool.
- **Partial Basement:** Partial basements are found in townhouses with no basement. The majority of these townhouses were built prior to 1950. The partial basement was usually created to accommodate the furnace and typically used as a storage cellar.

Living Unit

- A term used to describe any type of residential condominium property with living space that falls into the residential condominium valuation group. This term does not include vacant land parcels, storage units, parking stalls or common area units when they are separately titled.

View or Influence

Arterial or Collector Road View/Influence ($\geq 10,000$ Vehicles per day based on City of Edmonton traffic counts) ****This characteristic currently is information only and does not affect market value.**

- Open: Any condominium unit which has unobstructed arterial or collector road view/influence.
- Obstructed and Limited: Any condominium unit which has a partial or obstructed arterial or collector road view/influence.
- Secondary Arterial or collector road view/influence: any condominium unit which has a secondary or less significant view/influence affecting its market value.

Industrial or Institutional View/Influence ****This characteristic currently is information only and does not affect market value.**

- Open: Any condominium unit which has an institutional or industrial facility in front of, behind or beside it of an active nature, such as hospitals, large sports facilities, post-secondary institutions, and other emergency facilities. This may also be used if there are three or more minor institutional views/influences, which surround the condominium complex.
- Obstructed and Limited: Any condominium unit which has an institutional or industrial facility in front of, behind, or beside it of a minor or moderate nature (such as an elementary school, church, community hall, high school, junior high school, recreation facility, or community pool). This may also be used if there are two minor views/influences, which surround the condominium complex.
- Secondary Industrial or Institutional view/influence: any condominium unit which has a secondary or less significant view/influence affecting its market value.

Lane or Street View/Influence ****This characteristic currently is information only and does not affect market value.** ($\leq 10,000$ Vehicles per Day based on City of Edmonton traffic counts)

- Open: Any condominium unit which has unobstructed lane or street view/influence.
- Obstructed and Limited: Any condominium unit which has a partial or obstructed lane or street view/influence.
- Secondary Lane or Street view/influence: any condominium unit which has a secondary or less significant view affecting its market value.

Parking Lot View/influence **** This characteristic currently is information only and does not affect market value** Open: Any condominium unit which has unobstructed parking lot view/influence

- Obstructed and Limited: Any condominium unit which has a partial or obstructed parking lot view/influence.
- Secondary Parking Lot View/influence: any condominium unit which has a secondary or less significant view affecting its market value.

Railroad and LRT View/Influence ****This characteristic currently is information only and does not affect market value.**

- Open: Any condominium unit which has unobstructed railroad or LRT view/influence.
- Obstructed and Limited: Any condominium unit which has a partial or obstructed railroad or LRT view/influence.

- Secondary Railroad and LRT view/influence: any condominium unit which has a secondary or less significant view affecting its market value.

Single Family Residential View/Influence **This characteristic currently is information only and does not affect market value.

- Open: Any condominium unit which has unobstructed single family residential view/influence.
- Obstructed and Limited: Any condominium unit which has a partial or obstructed single family residential view/influence.
- Secondary Single family residential view/influence: any condominium unit which has a secondary or less significant view affecting its market value.

Provincial Quality Standards

For condominium properties, the City of Edmonton used the sales comparison approach to calculate the 2016 assessments. The assessment models, the process utilized, and the results are submitted annually to the Assessment Services Branch of the Department of Municipal Affairs, for audit purposes. This audit determines the accuracy of the City's predictions relative to the market place, and is a direct reflection on the accuracy of our models. The results indicated that the assessments meet Provincial Quality Standards as set out in *MRAT*.

References

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Appendix

Zone Chart: Residential

Residential Section 100	
RF1	Single Detached Residential Zone (s.110) is to provide for single detached housing while allowing other forms of small scale housing
RSL	Residential Small Lot Zone (s.115) is to provide for smaller lot single detached housing with attached garages
RF2	Low Density Infill Zone (s.120) is to retain single detached housing, while allowing infill on narrow lots, uses include duplex housing
RPL	Planned Lot Residential Zone (s.130) is to provide for small lot single detached housing, serviced by both a public roadway and a lane
RF3	Small Scale Infill Development Zone (s.140) is to provide for single detached housing and semi-detached housing while allowing small-scale conversion and infill redevelopment to buildings containing up to four dwellings
RF4	Semi-Detached Residential Zone (s.150) is to provide a zone primarily for Semi-detached Housing and Duplex Housing
RMD	Residential Mixed Dwelling Zone (s.155) is to provide for a range of dwelling types and densities including single detached, semi-detached and row housing
RF5	Row Housing Zone (s.160) is to provide for relatively low to medium density housing, generally referred to as Row Housing
UCRH	Urban Character Row Housing Zone (s.165) is to provide for medium density Row Housing in a manner that is characteristic of urban settings and can include more intensive development
RF6	Medium Density Multiple Family Zone (s.170) is to provide for medium density housing, where some units may not be at Grade

Residential Section 200

RA7	Low Rise Apartment Zone (s.210) provides for low rise apartment buildings
RA8	Medium Rise Apartment Zone (s.220) provides for medium rise apartment buildings
RA9	High Rise Apartment Zone (s.230) provides for high rise apartment buildings
RR	Rural Residential Zone (s.240) is to provide for single detached residential development of a permanent nature in a rural setting, generally without the provision of the full range of urban utility services
RMU	Mobile Home Zone (s.250) is to provide for Mobile Homes developed within a Mobile Home Park or Mobile Home Subdivision.

For additional zone details, refer to the Zoning Bylaw.

Measure Conversion Chart

Imperial to Metric – Length	Imperial to Metric – Area
1 inch (in) = 2.54 centimetres (cm)	1 square foot (sqft) = 0.09290 square metre (m ²)
1 foot (ft) = 0.3048 metres (m)	1 acre (ac) = 4,046.86 square metre (m ²)
Imperial Conversions	1 acre (ac) = 0.40469 hectares (ha)
1 acre (ac) = 43,560 square feet (sqft)	Metric Conversions
1 square mile = 640 acres (ac)	1 square kilometer (sq km) = 100 hectares (ha)
1 section = 640 acres (ac)	1 hectare (ha) = 10,000 square metres (m ²)