

# 2020

## 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](http://edmonton.ca/assessment)

**Edmonton**



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## Scope

This guide explains how residential condominium properties are valued for assessment purposes. The guide is intended as a tool and compliments the assessor's judgment in the valuation process.

## Introduction

Property assessments in the City of Edmonton are prepared in accordance with the requirements of the *Municipal Government Act*, R.S.A. 2000, c. M-26 (hereinafter "MGA") and the *Matters Relating to Assessment and Taxation Regulation, 2018*, Alta Reg 203/17, (hereinafter "MRAT"). The MRAT regulation establishes the valuation standard to be used, defines the procedures to be applied, and purposes objectives for the quality to be achieved in the preparation of assessments. The legislation requires the municipality to prepare assessments that represent market value by application of the mass appraisal process. All assessments are expected to meet quality standards prescribed by the province in the regulation.

Property assessments represent:

- an estimate of the value;
- of the fee simple estate in the property;
- as the property existed on December 31, 2019;
- reflecting typical market conditions;
- as if the property had been sold on July 1, 2019;
- on the open market;
- from a willing seller to a willing buyer.

The assessment is a prediction of the value that would result when those specific, defined conditions are met.

The legislation requires the City of Edmonton to assess the fee simple estate.

"Fee simple interest [is] absolute ownership unencumbered by any other interest or estate... leased fee interest [is] the ownership interest held by the lessor, which includes the right to the contract rent specified in the lease plus the reversionary right when the lease expires... leasehold interest [is] the interest held by the lessee (the tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions."

*Appraisal Institute of Canada, The Appraisal of Real Estate Third Canadian Edition, Vancouver, Canada, 2010, page 6.4*

Both *market value* and *property*, along with additional terms are defined in the *MGA* and *MRAT*:

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(k) "**regulated property**" means

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

*MRAT s.1(k)*

s.9(1) the **valuation standard** for the land and improvements is market value unless subsection (2)... applies

*MRAT s.9(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.5 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.5*

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.6 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.6*

s.1(g) "**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(g)*

## 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 properties
- common property characteristics are identified for the properties in each group
- a uniform valuation model is created for each property group

31(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.31(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
<b>Definition and Purpose</b>	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, this includes: rights to be valued, effective date of valuation, and any limiting conditions.
<b>Data Collection</b>	Mass appraisal requires a 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.
<b>Market Analysis</b>	Mass appraisal is predicated on highest and best use.	Market analysis includes the analysis of highest and best use
<b>Valuation Model</b>	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
<b>Validation</b>	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 Model

A valuation model creates an equation of variables, factors and coefficients that explains the relationship between estimated market value and property characteristics. An assessed value is then calculated by applying the appropriate valuation model to individual properties within a property type.

s31 (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.31 (a), (b) and (d)*

s.33 Information prescribed ... does not include coefficients

*MRAT, s.33(3)*

### Valuation Model

- variables are identified from property characteristics
- statistical analysis determines how variables affect market value
- factors and coefficients are determined
- the resulting valuation models are applied to property characteristics

## Property Groups

**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.

## Approaches to Value

The approaches to determine market value are the direct comparison, income, and cost approaches.

<b>Direct Comparison Approach</b>	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 Sales Comparison Approach.
<b>Income Approach</b>	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.
<b>Cost Approach</b>	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.

### Direct Comparison Approach

For this property group, the assessment is determined using the direct sales approach. It is the most appropriate method of valuation for Residential Condominiums in the City of Edmonton because it mirrors the actions of buyers and sellers in the marketplace and sufficient residential sales data exists in order 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, 2016 to June 30, 2019 for valuation of Residential Condominium high rise and lowrise properties. The City of Edmonton reviews *four years of sales* occurring from July 1, 2015 to June 30, 2019 for valuation of Residential Condominium Townhouse properties. 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. For the parking stall inventory, due to the lack of sales, 5 years of sales were used (July 1, 2014 to June 30, 2019).



**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.6.123 **zone:** a specific group of listed Uses and Development Regulations which regulate the Use and Development of land within specific geographic areas of the City...

***Zoning Bylaw No. 12800, 2017, s. 6.123***

Residential land use zones vary in part due to density.

s.6.24 **density:** when used in reference to Residential and Residential-Related development, the number of Dwellings on a Site expressed as Dwelling per hectare.

***Zoning Bylaw No. 12800, 2017, s. 6.24***

Not all properties conform to the zoning use set out in the Edmonton Zoning Bylaw. When property doesn't conform to the zoning bylaw, property assessors apply effective zoning. Effective zoning helps ensure that your property is grouped with and compared to similar properties—based on the current use of your land and not on what it's permitted to be developed as (e.g. a legal non-conforming 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 nonconforming use or nonconforming building, the development permit continues in effect in spite of the coming into force of the bylaw.

***MGA, s.643(1)***

## Valuation Models

There are four distinct valuation models for the residential condominium inventory: lowrise, high rise, townhouse and parking stall condominiums. The classification of the condominium unit type determines which valuation model is used. The City of Edmonton classification of the condominium unit types are described in the following sections.

## High rise Condominium Units

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

Condominium units are under the highrise classification when they are “apartment style” and the condominium building is **six stories or greater**. The condominium plan registered with Alberta Land Titles has sufficient information to determine the classification for each registered condominium unit.

Study Area	Boundaries
North	Includes all highrise condominiums located north of the North Saskatchewan River.
South	Includes all highrise condominiums located south of the North Saskatchewan River.

## Lowrise Condominium Units

Condominium units are under the lowrise classification when they are “apartment style” and the condominium building is **five stories or less**. The condominium plan registered with Alberta Land Titles has sufficient information to determine the classification for each registered condominium unit.

Study Area	Boundaries
North	Includes all lowrise condominiums (other than neighbourhoods in the Central Market Area) located north of the North Saskatchewan River.
South	Includes all lowrise condominiums (other than neighbourhoods in the Central Market Area) located south of the North Saskatchewan River.
Central	Includes all lowrise condominiums in the central core of the City consisting of the following five neighbourhoods: Downtown, Oliver, Rosedale, Garneau, and Strathcona.

## Townhouse Condominium Units

The criteria and definitions below are the factors that determine whether a condominium unit falls under the “townhouse” model.

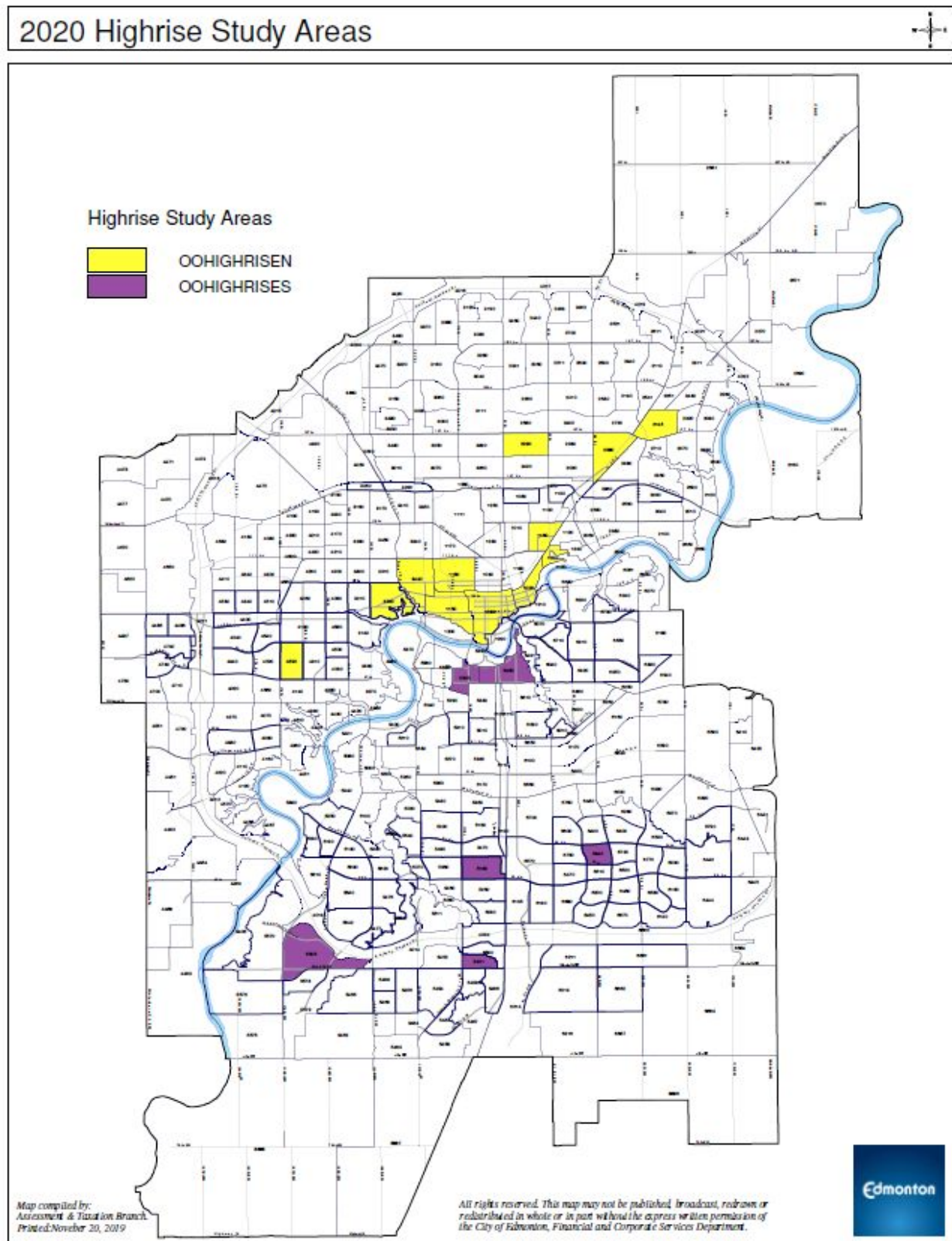
The traditional townhouse or row house is the largest component of this inventory. Townhouse and row house condominium units are condominiums that have two or more units per building. They usually are arranged in rows and may contain living space on multiple levels. The townhouse inventory can consist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

Bareland condominium units are similar to townhouse units, except the owner of the unit is also the **owner of the land**. They can often be found in more private, gated communities and some units may have a similar physical appearance to that of a house or single family dwelling.

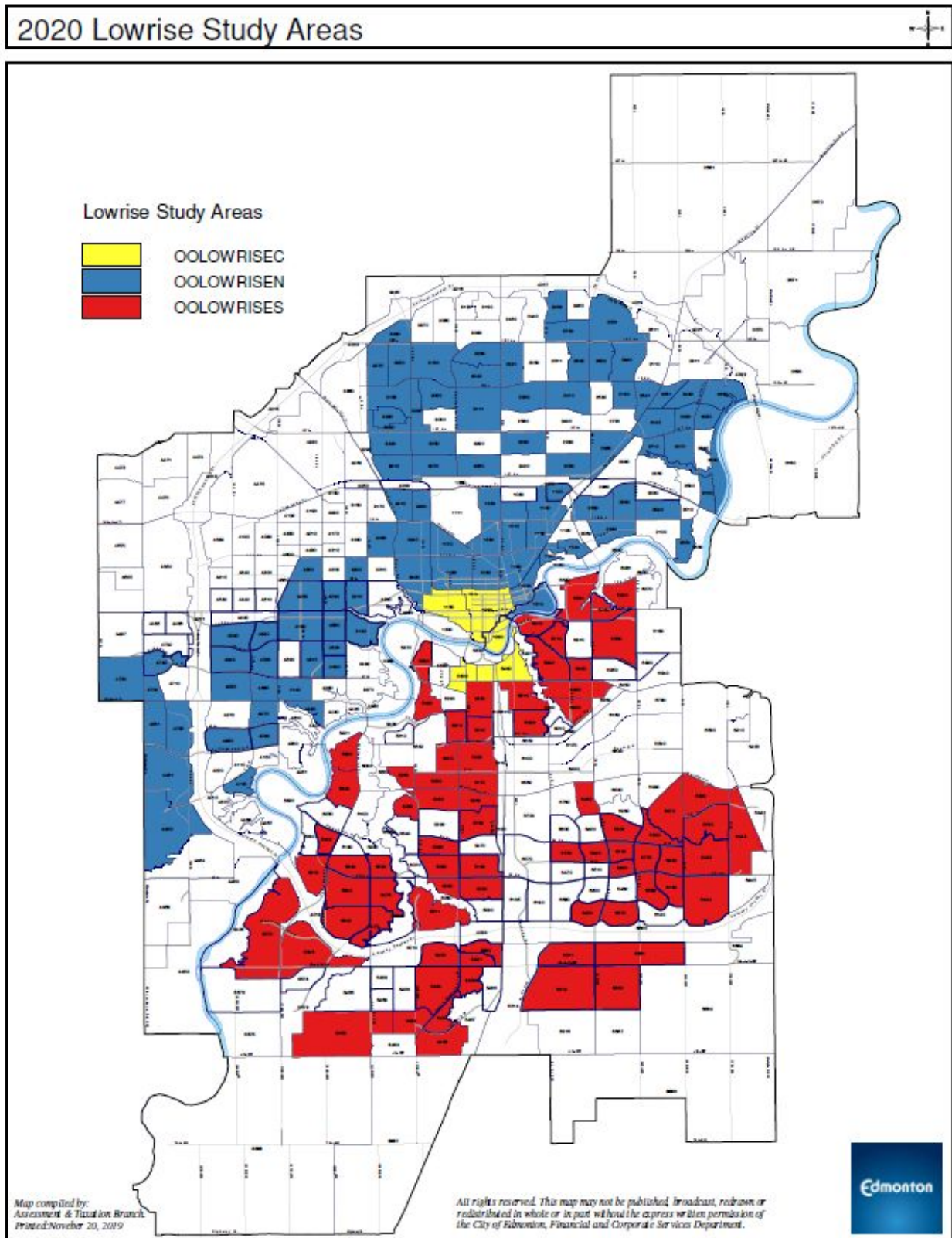
A carriage home is much like an apartment except that it has external dwelling access and no internal building dwelling access (common hallway). They are located side by side with stacked units, one on top of the other. There may be a combination of carriage homes and townhouse units in the same project 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 highrise and lowrise condominium complexes, but occasionally occur in the townhouse condominium inventory. There is one valuation model that encompasses condominiumized parking stalls, storage units and, where applicable, titled common areas.

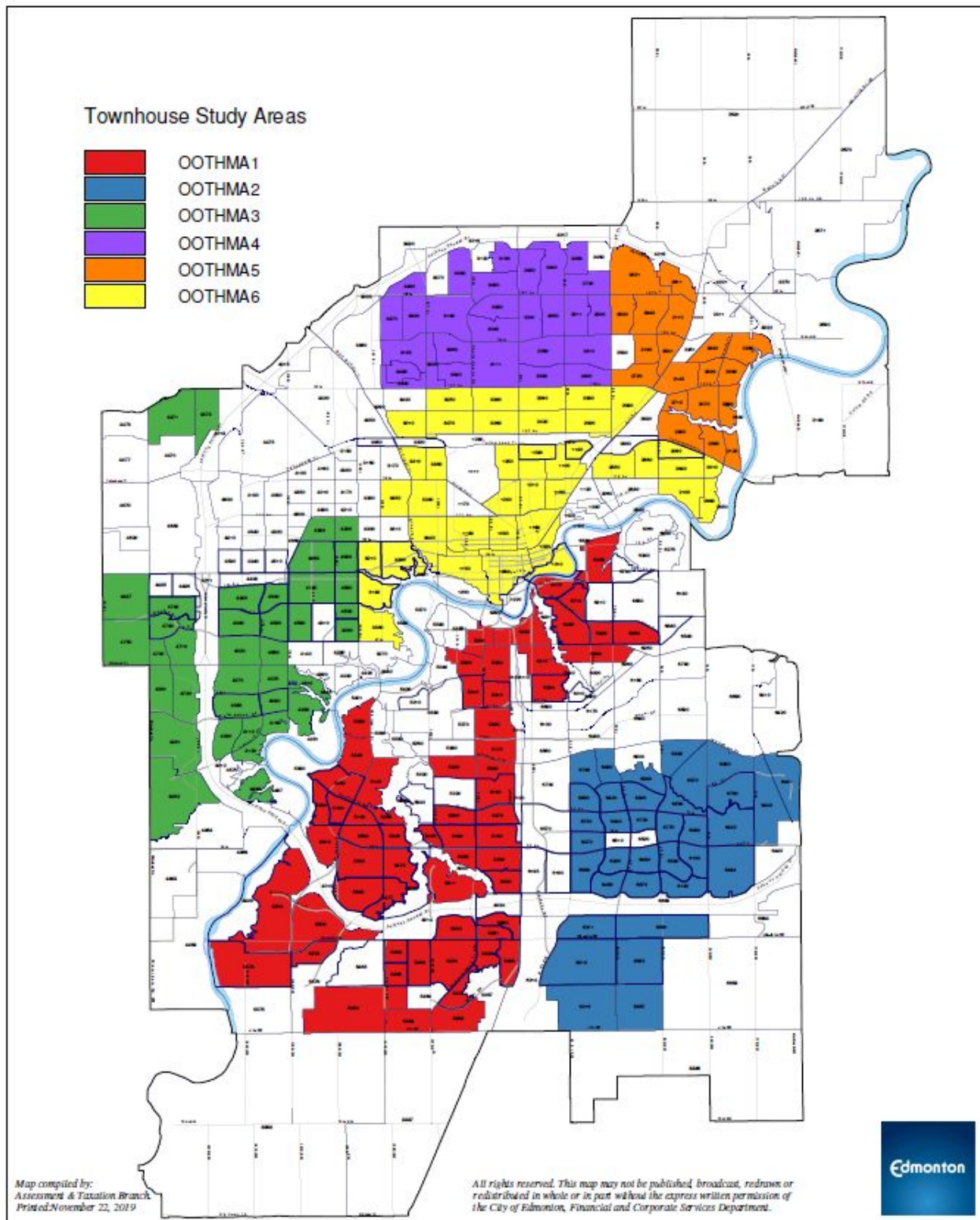


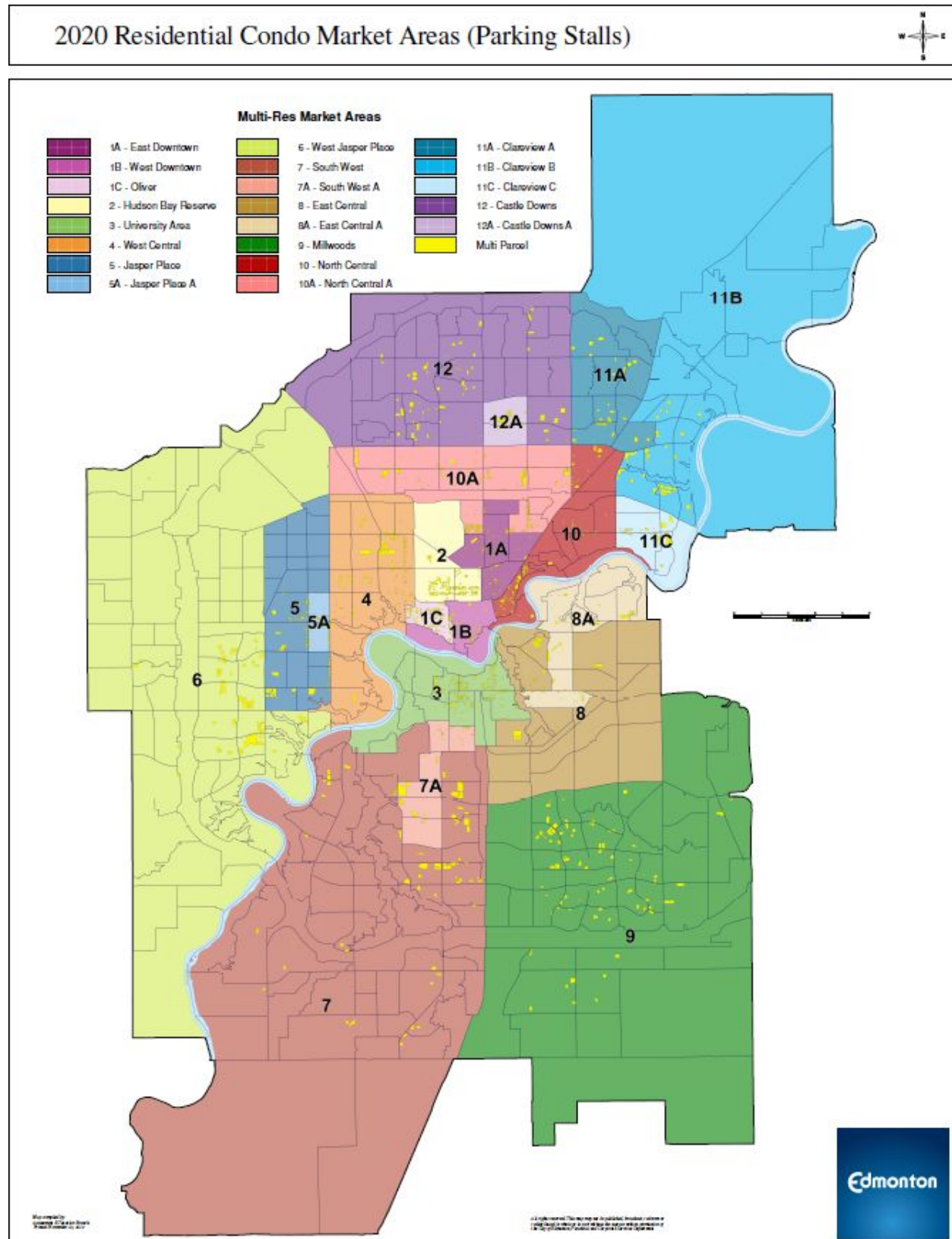
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## 2020 Townhouse Study Areas





## How Residential Condominiums are Measured

The information in this paragraph pertains only to the lowrise, highrise, and parking stall condominium units mentioned in the previous section. The City of Edmonton does not determine measurements for these types of condominiums. Rather, they are measured by the surveyor/engineer creating the new plan for the development. Condominium plans are registered through Alberta Land Titles. The City of Edmonton then uses the size measurements from the registered condominium plan. 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, size measurements are based on the **external** building envelope measurements. Stairwells are included in the Unit Net Area and are thus included in the size of a unit. These size measurements are taken off the building plans provided by the builder.

## Variables Used In Valuation Model

The variables used to determine 2020 assessment values are listed for each condominium model.

Townhouse Condominium Units		
Neighbourhood	Quality	Church View (open only)
Lot Size (bareland)	Stories	Lake View
Effective Year Built	Renovations or Upgrades	Green Space (open only)
Unit Net Area	Unit Type (freestanding and end)	Park View (open only)
Basement Area, Finished Basement Area, & Other Area	Carriage Style	Ravine View
Garage Area - Attached/Detached/Basement	Air Conditioner	River View
Traffic Exposure (direct) and Traffic Influence (greater than minor)	Walkout Basement	Unit Type (derelict and deferred)



Highrise Condominium Units		
Unit Net Area	Unit Location (end or corner unit)	River Valley View
Condominium Complex (location, quality and age)	Commercial View (limited only)	
Space Type	Courtyard View (limited only)	
Floor Level	Open Space View (open only)	
Balcony	Horizon View (open only)	
Renovations or Upgrades	Golf Course View	
Full Bathrooms	Street View (open only)	
Lowrise Condominium Units		
Unit Net Area	Space Type (Loft)	River Valley View
Neighbourhood	Space Type (Oversized, One Bedroom)	Lake View
Effective Year Built	Stories (2 Storey)	Courtyard View
Quality	Unit Location (Corner)	Park View
Renovations or Upgrades	Floor Level	Rail View
Unit Style (Loft Style)	Ravine View	Traffic Influence
Parking Units		
Effective Year Built	Land Use Code (Storage)	Market Area
Land Use Code (Parking)	Land Use Code (Common Area)	

## Variable Definitions

*Note: Not all aspects of a variable are used in the model and/or not all variables listed below are used in the models. Please refer to variables specific to each inventory in the tables above. Sometimes, certain categories of a variable are grouped together or grouped in combination with other variables. If applicable, specific combinations and groupings will be identified under the corresponding variable.*

### Air Conditioner

- Air conditioner is a central system for maintaining a cool atmosphere in a building typically by controlling the humidity, ventilation and temperature levels.

### Balcony

- Presence of a balcony (applicable only in the highrise condominium model for 2020 assessments).

### Bathroom

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

### Space Type

Space type of a living unit.

- 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
  - 4BDRMWD – 4 Bedroom with Den
  - 1BDRMWL – 1 Bedroom with Loft
  - 2BDRMWL – 2 Bedroom with Loft
  - 3BDRMWL – 3 Bedroom with Loft
  - 4BDRMWL – 4 Bedroom with Loft
  - PENT – Penthouse
- 
- **Den:** An enclosed area or nook within a condominium unit **without** one (at least) of the 3 following features: door, window, closet.
  - **Loft:** A partial upper floor in a condominium unit where there are no partitions or doors. Typically, this results in significantly higher ceilings in other areas of the unit.
  - **Penthouse:** A condominium unit that is either a lowrise or a highrise unit usually located on the highest floor of a building. They are normally more luxurious/built to a higher quality, or upgraded, relative to other units within the building. Typically these units are larger in terms of square footage. Occasionally these units may be located below the highest floor, but this type of penthouse will usually occupy an entire floor and are superior to typical units in the condominium complex.

## Highrise Condominium Model

The base space type for the highrise condominium inventory is a 2 bedroom unit.

- **Bachelor Unit:** This variable distinguishes a unit with no bedrooms. These units receive a slight downward adjustment relative to the base.
- **One bedroom unit:** This variable distinguishes a unit with only one bedroom. These units receive the same downward adjustment as bachelor units relative to the base.
- **Three bedroom unit:** This variable distinguishes a unit with two bedrooms and a den, or three bedrooms. These units receive a slight upward adjustment relative to the base. This unit is not a penthouse.
- **Four bedroom unit and Up:** This variable distinguishes a unit that has greater than 3 bedrooms. These units receive an upward adjustment relative to the base. This unit is not a penthouse.

## Lowrise Condominium Model

- **Loft** - Condominium unit has a loft.
- **Oversized, One Bedroom** - Consists of all one bedrooms units that are 70 square meters or larger.

### Building Area Variables

- **Building Net Area/Unit Net Area:** Exterior measurements of livable area in a townhome (excludes missing space). For highrise and lowrise condominiums, net area measurements are taken directly off of the registered condominium plan.
- **Basement Area:** The basement is the area of a condominium unit that is either completely or partially below the ground floor.
- **Basement Finish Area:** If a basement has been designed to function as a habitable space, either during construction or at a later point, we consider it to be finished.
- **Loft Area:** A loft is an open space in a condominium unit usually without any internal walls.
- **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 Finished Area:** In split-level condominium units, this floor is located partially below grade. If this area has been designed to function as a habitable space, either during construction or at a later point, we consider it to be finished.
- **Solarium Area:** Solariums are glass-enclosed rooms (with glass walls and roof) that form part of an extension to an original structure.
- **Sunroom Area:** Sunrooms are glass-enclosed rooms covered by a conventional roof that form part of an extension to an original structure.
- **Parking/Storage/Common Unit:** The size designated on the registered condominium plan.

**Condominium Complex:** A condominium complex refers to a building, or group of buildings, usually associated with a common condominium plan. For highrise condominiums, the condominium complex variable is intended to capture the age, quality, and geographic location of a unit.

**Year Built:** The year that a condominium building was originally constructed. If construction spanned over several years, this is the first year of construction.

**Effective Year Built:** The effective year built is the age of a condominium building adjusted for any physical changes that affect market value.

For example, a condominium building that has been damaged by fire and fully rebuilt may have a newer effective year built than its actual year built. Same applies when the condominium building goes through extensive renovations as part of its maintenance of quality and value.

When the effective year built differs from the original year built, property assessors use the effective age in determining the value of a property.

It allows not only to compare the property to a typical property built that year but also take into consideration the overall usability and condition of the condominium.

### Floor Level

- The floor level location where a living unit is situated within the condominium complex (e.g, 2<sup>nd</sup> floor). A factor in determining market value, e.g. living units on higher floor levels typically generate higher market values due to desirability. As floor level increases, the assessed value of a unit increases slightly as well.

**Garage area:** The size (area) of a garage. The different types of garage areas are described below.

- **Attached Garage Area:** Garages are walled, roofed structures typically with large rolling doors built for storing vehicles. An attached garage is built on grade as part of the structure of a building. It usually shares a roof or at least one common wall with a building.
- **Detached Garage Area:** Garages are walled, roofed structures typically with large rolling doors built for storing vehicles. A detached garage is a stand-alone structure.
- **Basement Garage Area:** Garages are structures typically with large rolling doors built for storing vehicles. A basement garage is built as part of the basement of a building—partially or completely below grade.
- **Attached Carport Area:** Carports are roofed, open structures without enclosed walls that are built to offer limited protection from the elements for vehicles or other storage. An attached carport is physically attached to a building, garage or another structure.
- **Detached Carport Area:** Carports are roofed, open structures without enclosed walls that are built to offer limited protection from the elements for vehicles or other storage. A detached carport is a stand-alone structure.

### Land Use (LUC)

An internal code assigned by the City of Edmonton for classification purposes to a particular property type. This determines whether a condominium unit modelled under the townhouse, lowrise, highrise or parking stall model.

#### Townhouse Condominium Units

##### Row House Condominium

Row Housing means development consisting of a building containing a row of two or more dwellings joined in whole or in part at the side only with no Dwelling being placed over another in whole or in part. Individual Dwellings are separated from one another by a Party Wall. Each Dwelling has separate, individual, and direct access to ground level. This Use does not include Stacked Row Housing or Blatchford Townhousing

#### Residential Bareland Condominium (land and building)

Condominium units under this classification are similar to Row Housing. However, in this case, the owner of the unit is also the owner of the land.

#### Carriage Home Condominium

A carriage home, or Stacked Row Housing, means development consisting of a building containing three or more Dwellings arranged two deep, either vertically so that Dwellings are placed over others, or horizontally so that Dwellings are attached at the rear as well as at the side. Each Dwelling shall have separate and individual access, not necessarily directly to ground level, provided that no more than two Dwellings may share access to ground level. This Use does not include Duplex Housing, Row Housing, or Apartment Housing.

#### Commercial Condominium converted from Residential Row House

These are row house or carriage home condominium units identified as converted to commercial use.

### **Highrise Condominium Units**

#### Highrise Condominium

A condominium is considered a highrise if it contains *six or more stories*.

### **Lowrise Condominium Units**

#### Lowrise Condominium

A condominium is considered lowrise if it contains *five or less stories*. If the condominium has five floors and a loft, it is still considered a lowrise.

### **Parking Stalls, Storage Units and Common Area Units**

#### Accessory Structure In Residential Condominium Complex

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

#### Residential Condominium Parking Stall

This LUC is reserved exclusively for *individually titled* condominium parking stall units including surface and underground parking units.

#### Common Area In Residential Condominium Complex

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

### **Lot size**

- The amount of land area associated with each condominium unit is determined through unit factors. For this current year, lot size only pertains to land associated with bare land condominium units.

### **Market Area**

- Grouping of neighbourhoods which are very similar to CMHC (Canada Mortgage and Housing Corporation) market areas.

## Neighbourhood

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

## Neighbourhood Subgroups (Specific to Lowrise Condominium Units)

- **Downtown 104 Street** - Portion of downtown on 104 Street, between Jasper Avenue and 104 Avenue.
- **Oliver Subgroups** - 4 Oliver subgroups.
  - Oliver 1 - North of Jasper Avenue and east of 116 Street.
  - Oliver 2 - North of Jasper Avenue and west of 116 Street.
  - Oliver 3 - South of Jasper Avenue, but does not include properties located in close proximity to the North Saskatchewan River Valley.
  - Oliver 4 - South of Jasper Avenue and is in close proximity to the North Saskatchewan River Valley.
- **Queen Mary Park/ Brewery District** - Newer condominiums (built 2005 or later) in Queen Mary Park that are located just north of the Brewery District.
- **Westwood 97 Street** - Includes properties in Westwood located between 97 Street and 101 Street.
- **Belvedere** - This neighbourhood is separated into two groups.
  - Belvedere 1 - Consists of condominiums in Belvedere that were built before the year 2000.
  - Belvedere 2 - Consists of condominiums in Belvedere that were built after the year 2000.
- **Strathcona**
  - Strathcona 99 Street - Condominiums in Strathcona that are located directly on 99 Street.
  - Strathcona Whyte Avenue - Condominiums in Strathcona between 82 Ave and 84 Ave, and 99 Street and 109 Street.

## Quality Classifications (Specific to Townhome Condominium Units)

- **Fair:** This quality class satisfied demands for moderate-cost, energy-efficient housing. The condominium unit is basically square or rectangular, has an adequate floor plan and has a plain exterior. Finishing materials were fair to average quality, and little or no attention was given to decorative features.
- **Standard:** This quality class represents average project housing that met building requirements for the era. The unit is of a typical style, 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:** This quality class represents above-average housing that exceeded building requirements for the era. More attention to the exterior details such as breaks in the roof line may be evident. Architectural design was used in living areas. The floor plan is functional and gives a sense of spaciousness. Finishes were generally upgraded to a

mixture of standard and better quality materials with decorative features. A minimum number of interior construction features may be present.

- **Custom:** This quality class represents good housing that exceeded building requirements for the era. The unit may have been contract built. The exterior has an attractive style, often with breaks in the roof line. The floor plan is functional, with an open design concept creating a sense of spaciousness. Architectural design was used in living areas. Finishing materials and workmanship were of good quality. A number of interior features are present.
- **Good custom:** This quality class represents good to expensive, energy efficient housing that is normally custom or contract built and, on occasion, may have been constructed under the supervision of an architect. The exterior style may be innovative and have breaks in the roof line. Large verandas, covered entrance ways, large or stylish columns are common. The interior design often shows originality, includes built-in features and has spacious rooms. A number of interior features are present. Attention to detail is evident. Finishes in this quality normally feature the best pre-manufactured or good to expensive materials.
- **Expensive:** This quality class represents unique housing that exceeded building requirements for the era. It may have been contract built under the supervision of an architect and is commonly built in prestigious areas, such as gated communities. The exterior often has large windows and a unique roof style. 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. Attention to detail is evident.

#### Quality Classifications (Specific to Lowrise Condominium Units)

- **Fair:** This quality class represents basic condominium projects that barely met building requirements for their era of construction. The exterior is usually square or rectangular and shows very little attention to detail. Condominium units have poor layout and small rooms. Little attention was given to interior and exterior workmanship, materials and finishes.
- **Standard:** This quality class represents average condominium projects that met building requirements for the era. The exterior is generally rectangular. The floor plan is functional. The interior has a minimum number of decorative features, and finishes are normally limited to standard quality, pre-manufactured materials.
- **Semi-Custom:** This quality class represents above-average condominium projects that exceeded building requirements for the era. Attention was given to the exterior details (for example, the building has breaks in the roof line), shape of the condominium building and construction materials. The floor plan is functional, with a sense of spaciousness. Architectural design was used in living areas. Interior finishes show a mix of standard and above-standard materials with decorative features.
- **Custom:** This quality class represents good condominium projects that exceeded building requirements for the era and may have been contract built. Attention was given to the exterior details (for example, the building has breaks in the roof line), shape of the

condominium building and construction materials. The floor plan is functional, with an open design concept creating a sense of spaciousness. Architectural design was used in living areas. Finishing materials and workmanship are of good quality.

- **Good Custom:** This quality class represents superior condominium projects that exceeded building requirements for the era and may have been contract built. Attention was given to the exterior details (for example, the building has breaks in the roof line), shape of the condominium building and construction materials. The floor plan is functional, with an open design concept creating a sense of spaciousness. Architectural design was used in living areas. Finishing materials and workmanship are of good quality.

### Renovations or upgrades

- **Minor:** Your property has one or several cosmetic upgrades: for example, new paint, flooring, electrical fixtures, countertops, cabinet doors or painted interior doors. Or, your property is considered to be upgraded when compared to the “base” units typically found within a newly constructed condominium complex.
- **Moderate:** Your property has a combination of cosmetic and extensive upgrades: for example, new kitchen and bathroom cabinets, paint, flooring, electrical and plumbing fixtures, countertops or painted interior doors. The scope of renovations under the moderate factor affects the majority of the unit rather than just one room. The quality of renovations is similar to or slightly better than the original quality of construction.
- **Major:** Your property is fully upgraded. It may have, for example, new kitchen and bathroom cabinets, paint, flooring, electrical and plumbing fixtures, countertops or painted interior doors. The scope of renovations under the major factor affects the majority of the unit rather than just one room. The quality of renovations is significantly better than the original quality of construction. The condominium unit may have custom built features or characteristics not generally found in the market.

### Unit Style (Loft-Style Condominiums)

- Loft-style condominiums typically have open-concept spaces, large support pillars in the living space, high ceilings, exposed beams and pipes, large windows, brickwork, exposed ceilings and cement floors.
- Traditionally, loft-style condominiums are located in former industrial or warehouse buildings that were converted to residential use. Some lofts, however, are newly constructed to replicate most of the look and feel of a traditional loft.
- This attribute should not be confused with the “Loft” variable that accounts for a loft as a space type.

### Unit Type

- **Derelict Property** – Usually, derelict properties have exterior doors and windows boarded up and are uninhabitable on the basis of an order from Alberta Health Services, a Safety Codes Officer or the City of Edmonton.
- **Deferred Maintenance** - Our records show that general maintenance, typical for the age of your condominium unit, has not been performed and a few items need immediate repair.



- **Original** - average maintenance has taken place.

### Stories

This variable represents the number of stories that an individual residential condominium unit has.

- **1 Storey:** A one-storey property (with or without a basement).
- **2 Storey:** A two-storey property (with or without a basement).
- **2 ½ Storey:** A two-storey property (with or without a basement) with a third level. However, the third level has a steep roof slope and dormers (which project from the roof and have windows on their fronts). Because of the roof design, the living area of the third level could be up to 50 per cent less than the main floor area.
- **2 ¾ Storey:** A two-storey property (with or without basement) with a third level. The exterior walls of the third level are ¾ shorter than full height (for example, 1.2-1.8 metres or 4-6 feet when measured from the outside). Therefore, the living area of the third level could be up to 20 per cent less than the main floor area.
- **3 Storey:** A three-storey property (with or without basement).

### Traffic Influence

Your property is adjacent to a traffic source.

- **Minor:** Property is adjacent to a road with the recorded traffic flow of 5,000-9,999 vehicles per day.
- **Moderate:** Property is adjacent to a road with the recorded traffic flow of 10,000-19,999 vehicles per day.
- **Major:** Property is adjacent to a road with the recorded traffic flow of 20,000-29,999 vehicles per day.
- **Extreme:** Property is adjacent to a road with the recorded traffic flow of 30,000-49,999 vehicles per day.
- **Mega:** Property is adjacent to a road with the recorded traffic flow of more than 50,000 vehicles per day.

The traffic influence has a negative impact on your property's assessed value.

The traffic counts for certain intersections are in the "Average Annual Weekday Traffic Report" found on the city link pasted below:

[http://www.edmonton.ca/transportation/traffic\\_reports/traffic-reports-flow-maps.aspx](http://www.edmonton.ca/transportation/traffic_reports/traffic-reports-flow-maps.aspx)

### Traffic Exposure

**Direct** - This variable is intended to distinguish units that are directly exposed to a traffic source with no noise attenuation barriers present. Noise attenuation barriers are structures designed to protect from noise pollution. Barriers include earthen berm, concrete wall structures and corrugated steel wall structures or their combination with a minimum combined height of six feet.

Direct traffic exposure has a negative impact on your property's assessed value.

**Limited** - This variable is intended to distinguish units that are not directly exposed to a traffic source with no noise attenuation barriers present.

### Carriage Style

- Carriage townhomes are stacked on top of one another making them similar to the lowrise condominiums. What differentiates carriage units from the lowrise condominiums is the lack of a common hallway and the existence of a separate entrance to every carriage unit. Below are the different locations of a unit within a carriage townhome.

Basement	Unit located below ground
Main	Unit located on the ground floor
Upper	Unit located on the second or third floor

### 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	Inside back to back
End Unit – three outside walls	Corner Unit – two outside walls at right angles
One Unit Per Floor	Free standing – not attached to other structures
Other	Front back to back
Rear back to back	Front corner back to back
Rear corner back to back	Upper unit – coach / carriage home

### Walkout Basement

- Basement is part of a building built on a slope. One side of the basement is fully exposed, situated above grade and has doors and windows to the outside.

### Views

The view variables that have affected the assessment value this year are listed below. Each view can be coded as open or limited. For example, if a unit has a view of a courtyard, it would be coded as courtyard-open, or courtyard-limited. A view may be either a negative or a positive attribute. In highrise and lowrise units, more than one view attribute may be applicable. In some cases, due to the lack of statistical significance, the open and limited view have been combined to create one view.

- Open** – View is considered a primary view, unobstructed and or directly in front of the subject unit or dwelling.
- Limited/Obstructed** – View is obstructed, limited, or not directly facing the unit. For example, the view could be partly obstructed by a building or tree, or far away from the unit or dwelling.

### Church View

A condominium unit has a view of a church. A church is located directly in front of a condominium unit's windows. A church view has a negative impact on a property's assessed value.

### Commercial View

A condominium unit has a view of a commercial property like a strip mall, grocery store or shopping center. A commercial view has a negative impact on your property's assessed value.

#### Courtyard View

A condominium unit which has a view of a courtyard. A courtyard is an open, unroofed area surrounded by the walls of a building or complex. A courtyard view has a positive impact on a property's assessed value.

#### Golf course View

A condominium unit has a view of a golf course. A golf course view has a positive impact on a property's assessed value.

#### Green space View

A condominium unit has a view of a green space (for example, a sports field or any green space without playgrounds or trees). The green space is located directly in front of the unit's windows. A green space view has a positive impact on a property's assessed value.

#### Horizon View

A condominium unit has a view of the horizon or the skyline. A horizon view has a positive impact on a property's assessed value.

#### Lake View

A condominium unit has a view of a lake or storm pond. A lake view has a positive impact on a property's assessed value.

#### Open space View

A condominium unit has a view of an adjacent open space. An open space view has a positive impact on a property's assessed value.

#### Park View

A condominium unit has a view of a park (green space with trees or playgrounds). The park is located directly in front of a unit's windows. A park view has a positive impact on a property's assessed value.

#### Railway View

A condominium unit has a view of a rail right of way with single or multiple rail lines. A railway view has a negative impact on a property's assessed value.

#### River valley View

A condominium unit has a view of the North Saskatchewan River Valley (land included in the City's protection overlay). A river valley view has a positive impact on a property's assessed value.

#### Ravine View

A condominium unit has a view of a ravine (land included in the City's protection overlay). A ravine view has a positive impact on a property's assessed value.

[https://webdocs.edmonton.ca/zoningbylaw/ZoningBylaw/Part2/Overlays/811\\_North\\_Saskatchewan\\_River\\_Valley\\_and\\_Ravine\\_System\\_Protection\\_Overlay.htm](https://webdocs.edmonton.ca/zoningbylaw/ZoningBylaw/Part2/Overlays/811_North_Saskatchewan_River_Valley_and_Ravine_System_Protection_Overlay.htm)

#### Street View

A condominium unit has a view of a neighbourhood street primarily used by local traffic. A street view has a positive impact on a property's assessed value.

## Adjustments Outside The Valuation Model

- **Condominium Complex Market 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. Where market evidence demonstrates that a condominium complex or group of units in a condominium complex display different tendencies than the other similar complexes or groups of units, a market condominium complex factor may be applied to ensure the assessment accurately reflects market value. A condominium complex market factor, generally a percentage, is based on market evidence and other considerations. It may be an upward or downward adjustment.

### Sample Assessment Detail Report

The variables and the factors used to calculate each individual property assessment are displayed in the direct sales approach summary section of each property's assessment detail report.

## Property Assessment Detail Report Assessment and Taxation



Account **0000000**

**Report Date** January 2, 2020  
**2019 Assessed Value** **\$630,500**  
**Date of Issue** January 2, 2020  
**Property Address** 00 00000 STREET NW  
**Legal Description** Plan: 0000000 Unit: 00  
**Neighbourhood** Oleskiw

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**Assessment Class** RESIDENTIAL  
**Land Use** 100% Residential bare land condominium (land and building)  
**Zoning** RF1 - Single Detached Residential District  
**Effective Zoning** RF5 - Row Housing District  
**Taxable Status** January 1 - December 31, 2020; FULLY TAXABLE  
**Unit of Measurement** METRIC (metres, square metres)

### Factors Used to Calculate Your 2020 Assessed Value

VARIABLE	FACTOR	TYPE	MARKET VALUE APPROACH	DIRECT SALES
Land use	BARELAND	Site		
Neighbourhood	OLESKIW	Site		
Lot size	631	Site		
Unit net area	243	Building		
Basement area	132	Building		
Finished basement area	52	Building		
Attached garage area	44	Building		
Effective year built	2000	Building		
Quality	GOOD CUSTOM	Building		
Unit location	FREESTANDING	Building		

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Visit [myproperty.edmonton.ca](http://myproperty.edmonton.ca) • email [assessment@edmonton.ca](mailto:assessment@edmonton.ca) • call 311 (780-442-5311)

## Methods to Adjust Comparables

There are two techniques for adjusting comparables: **quantitative** and **qualitative**.

### Quantitative Adjustments

Each characteristic of a property can be measured or quantified by a mathematical expression and adjusted for.

*Several techniques are available to quantify adjustments to the sale prices of comparable properties: data analysis techniques such as paired data analysis, grouped data analysis, and secondary data analysis, statistical analysis, including graphic analysis...*

(AIC, 2010, p. 14.2)

*In the direct comparison approach, the best comparables are those sales that require the least **absolute** adjustment.*

(AIC, 1995, p. 245).

Quantitative adjustments involve adjusting a known value (sale price for example) by adding or subtracting an amount that a given characteristic adds to or subtracts from that value. A quantitative adjustment should be made for each characteristic that differs between the subject property and the comparable property.

Due to the legislative requirement to use mass appraisal, the City has used statistical analysis to determine annual assessments.

*"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.*

MRAT s.31(a)

The City is not required to disclose the coefficients. In the absence of quantitative adjustments, an alternative technique is qualitative analysis.

## Qualitative Analysis

Each comparable property is compared with the subject property on an overall basis. In a qualitative analysis, comparable properties are identified as inferior, similar, or superior overall to the subject property in order to bracket the probable value range of the subject property.

*When a sale property is considered to offer important market evidence but finding the means to make quantitative adjustments is lacking, the appraiser may turn to other major direct comparison techniques, qualitative analysis.*

(AIC, 2005, p. 19.10)

*Qualitative analysis recognizes ... the difficulty in expressing adjustments with mathematical precision.*

(AIC, 2010, p. 14.6 )

*...reliable results can usually be obtained by bracketing the subject between comparables that are superior and inferior to it.*

(AIC, 2010, p. 14.7)

*If one or two comparable properties require fewer total adjustments than the other comparable transactions, an appraiser may attribute greater accuracy and give more weight to the value indications obtained from these transactions, particularly if the magnitude of the adjustments is approximately the same.*

(AIC, 2010, p. 13.16)

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## Appendix

### Zone Chart: Residential Condominiums

<b>RF5</b>	<b>Row Housing Zone (s. 160)</b> is to provide for relatively low to medium density housing, generally referred to as Row Housing.
<b>RF6</b>	<b>Medium Density Multiple Family Zone (s. 170)</b> is to provide for medium density housing, where some units may not be at Grade.
<b>RA7</b>	<b>Low Rise Apartment Zone (s. 210)</b> provides for lowrise apartment buildings.
<b>RA8</b>	<b>Medium Rise Apartment Zone (s. 220)</b> provides for medium-rise apartment buildings.
<b>RA9</b>	<b>High Rise Apartment Zone (s. 230)</b> provides for highrise apartment buildings.
<b>RMD</b>	<b>Residential Mixed Dwelling Zone (s. 155)</b> is to provide for a range of dwelling types and densities including single detached, semi-detached, and row housing.
<b>UCRH</b>	<b>Urban Character Row Housing Zone (s. 165)</b> is to provide for medium density Row Housing in a manner that is characteristic of urban settings and can include more intensive development.

\*For zonings not listed above, please see zoning bylaw 12800.

### Measure Conversion Chart

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