

What's it worth? Property Assessment Notices have arrived

BC property owners have now received their 2010 Property Assessment Notice from BC Assessment (BCA). There may be a difference between value listed on this notice and the market value determined by a REALTOR®. Property owners may want to know why. What accounts for this difference?

There are two reasons.

- 1. When:** the Property Assessment Notice is BCA's estimate of a property's market value as of July 1 of the previous year. In contrast, a REALTOR's® market value assessment is current. In the active Lower Mainland market, six months can mean a difference in value of thousands or even tens of thousands of dollars.
- 2. How:** BCA has a database of 1.8 million properties. To gain an estimate of value a BCA appraiser visits the site and reviews lot size, house type, age, heating, outbuildings such as sheds and garages, and spas or pools. They also look at whether the property has a lane or is on a busy street or highway.

BCA appraisers don't visit every property every year to update the database. Instead, they use a mass appraisal system, calculating values by evaluating prices for similar properties or units sold in neighbourhoods as of July 1. They consider all of this information when arriving at the assessed value.

REALTORS® determine property value by reviewing recent comparable data for homes sold in a neighbourhood on the MLS®. REALTORS® examine the exterior and interior of a property in detail, noting additions such as spas or pools, and renovations such as new kitchens or bathrooms that affect home value. They take into

account view lines, architectural styles and landscaping.

Where every lot and every home on a street are generally the same, both BCA's value and the REALTOR'S® value will be similar during stable market conditions.

Differences occur in neighbourhoods where lots are different shapes and sizes, where each home's architecture is unique and every view is distinct. Differences occur when property owners make changes such as renovations that BCA does not know about.

Assessments and property taxes

Just because your client's 2010 Property Assessment Notice shows an increase in assessed value doesn't mean that your client's property taxes will automatically increase by the same proportion.

Municipal governments (not BC Assessment) set property tax rates based on budget requirements. They review the assessment roll, a listing of all properties in the municipal-

ity with legal descriptions and assessed values, created with BCA assessment data. Depending on overall local government budget needs and whether new construction has been added to a property class, property taxes on an individual property may increase, remain the same or even decrease.

Property assessment comparisons

To compare your property assessment with other property values in your neighbourhood, go to www.bcassessment.ca, and then select e-valueBC – Compare Assessments Online.

Property assessment appeals

Property owners who disagree with their property assessment must file a Notice of Complaint (Appeal) by **February 1, 2010**. There is a formal appeal process. Details are on the back page of each assessment notice.

For more information visit: www.bcassessment.bc.ca/

