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**T Update Week 2001-26  
Residential Properties**

**Indexed as:**

**Bruno v. Ontario Property Assessment Corp., Region No. 19**

**IN THE MATTER OF Section 40 of the Assessment Act, R.S.O.  
1990, c. A.31, as amended, and  
IN THE MATTER OF a complaint with respect to taxation year  
2000 on premises known municipally as 93 Emerald Street South**

**Between**

**Megna Bruno in Trust, Assessed Person/Complainant, and  
The Ontario Property Assessment Corporation, Region No.19 and  
the City of Hamilton, Respondents**

[\[2001\] O.A.R.B.D. No. 554](#)

File No. 5269

Hearing No. 25359

Complaint No. 1309402

**Ontario Assessment Review Board  
I. Birnie, Member**

June 19, 2001

(7 paras.)

**Appearances:**

S. Pocrnic, for the Assessed Person/Complainant  
P. Pugliese, for the Ontario Property Assessment Corporation.  
No one appeared for the Municipality.

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**DECISION**

¶ 1 This complaint came before the Assessment Review Board on March 01, 2001 in the City of Hamilton.

**ISSUE**

¶ 2 Whether the subject property has been incorrectly assessed for the 2000 taxation year.

## DECISION

¶ 3 The assessment of the subject property is reduced from \$50,000 to \$45,000 for the 2000 taxation year.

## REASONS FOR DECISION

## Description

¶ 4 The subject property is a residential condominium, being a unit in an apartment building built in 1968, which was converted to a condominium in 1999. It is assessed at \$50,000 for the 2000 taxation year using the direct comparison sales approach.

## Case for Complainant

¶ 5 The complainant's agent, Mr. Pocrnic, testified that the subject property was in poor condition and that in his professional opinion it would cost about \$15,000 to bring it up to standard. The assessment had almost doubled since the unit was converted to a condominium, although the rent and occupants remained the same. Because of its poor condition, efforts to market the property had resulted in no offers being received. Mr. Pocrnic presented several comparables and submitted that the assessment should be reduced by \$15,000, being his estimate of the cost of necessary retrofitting, or alternatively the property should be assessed as an apartment building using the income approach rather than as a condominium using the direct comparison sales approach.

## Case for Ontario Property Assessment Corporation (OPAC)

¶ 6 The assessor, Mr. Pugliese, presented four comparables, all of which are apartments of a similar size to the subject property, which had been converted to condominiums and had been retrofitted in the mid 1990s and submitted that the subject property was correctly assessed using the direct comparison sales approach. He submitted that the cost of retrofitting the subject property had not been established as no estimates had been presented to the Board.

## Findings by Board

¶ 7

1. The Board finds that the direct comparison sales approach is the correct method of assessing the subject property, as this is the normal method of assessing a condominium.
2. The Board finds that the best comparables are the sales where the square footage is indicated, namely the assessor's four sales and the complainant's comparables numbers 10 and 12. All these comparables are similar to the subject property, except that they have been retrofitted. The median of these six sales is \$96.68 per square foot. Applying this to the square footage of the subject property (567 square feet) gives \$54,817.56, rounded to \$55,000. The Board finds this to be the current value of the subject property, subject to an adjustment because the comparables have been retrofitted and the subject property has not.
3. The Board finds that some adjustment has to be made because the subject property is in poorer condition than the comparables as it has not been renovated since its

construction in 1968 and requires retrofitting. The complainant's agent, Mr. Pocrnic, has estimated the cost of retrofitting at \$15,000, but this estimate has not been backed up by any documentation, such as estimates or actual costs from similar units. The Board is hesitant to place too much weight on Mr. Pocrnic's estimate because his estimate is not supported by documentation. The assessor, Mr. Pugliese, has suggested a figure of \$5,000, but this figure is not supported by evidence.

The Board finds that substantial retrofitting would be required to bring the subject property up to the standard of the comparables. Because Mr. Pocrnic's opinion as to the cost of retrofitting the subject property is not supported by any written estimates or other documentation, the Board finds that he has not established that the cost of retrofitting would be \$15,000. The Board is satisfied, however, that the cost of retrofitting would be somewhere between Mr. Pocrnic's estimate of \$15,000 and Mr. Pugliese's submission of \$5,000. The Board finds the cost to be \$10,000, midway between the two figures. Accordingly, the current value of \$55,000 indicated by the comparables is reduced by \$10,000 to \$45,000 to allow for the cost of retrofitting.

4. The assessment of the subject property for the 2000 taxation year is reduced from \$50,000 to \$45,000.

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