



Date Issued: October 7, 2026
Docket: LT24-02
Type: Real Property
Assessment Act Appeal

INDEXED AS: Muttart v. Minister of Finance
2026 PEIRAC 64 (CanLII)

Order No: LT26-02

BETWEEN:

Dale and Carolyn Muttart

Appellants

AND:

Minister of Finance and Affordability

Respondent

REASONS FOR DECISION

Panel Members:

Gordon MacFarlane, Commissioner
Kerri Carpenter, Vice Chair

Compared and Certified a True Copy

(Sgd.) Michelle Walsh-Doucette

Commission Clerk
Island Regulatory and Appeals Commission

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Appearances & Witnesses

1. For the Appellants:

Dale Muttart

Carolyn Muttart

2. For the Respondent

Counsel:

Stephen Flanagan, Legal Services, Department of Justice
and Public Safety

Witnesses:

Boyce Costello, Manager, Real Property Services,
Department of Finance and Affordability

Dean MacKinnon, Supervisor, Non-Commercial Property,
Department of Finance and Affordability

1. INTRODUCTION

1. This is an appeal by Dale and Carolyn Muttart of the assessment made by the Minister of Finance and Affordability in respect of their property at 78 Oswald Road, Borden-Carleton, PE (PID 1088442) for the 2024 tax year. The Minister's assessment was made pursuant to the *Real Property Assessment Act* (the "Act").
2. The Appellants appealed the assessment on the basis that, in their submission, property assessments in their area were inconsistent when compared to their property.
3. For the reasons that follow, the Commission dismisses the appeal. The Commission confirms the Subject Property's assessment of \$525,900 for the 2024 taxation year.

2. BACKGROUND

4. The Appellants have owned the subject property since March 2017. In 2023, the Appellants completed construction of a single-family dwelling on the property. The home is just under 2,400 square feet, including a room above the two-car garage. The property is a second row, water view lot, located in a small subdivision development in Borden-Carleton. The Appellant's property will be referred to in these reasons as the "Subject Property".
5. Effective February 12, 2024, the Minister assessed the market value and taxable value of the Subject Property (including the completed home) at \$525,900. This resulted in an annual property tax bill in 2024 of \$7,538.72.
6. On July 10, 2024, the Appellants requested a review of their 2024 property assessment and taxes by the Minister.
7. By letter dated November 5, 2024, the Minister advised the Appellants that their assessment had been reconsidered in accordance with subsection 20(3) of the *Act*, and that the market value assessment for the Subject Property was confirmed at \$525,900.00 on the basis that the assessed value was not considered to be in excess of market value.
8. The Appellants appealed the referral (review) decision to the Commission on November 25, 2024. The Appellants delivered the Notice of Appeal to the Commission in person.
9. Shortly after receiving the Notice of Appeal, a representative of the Minister, Boyce Costello, requested an abeyance of the appeal to explore resolution. By February 2025, the parties advised resolution had not been achieved and the Commission set deadlines for the parties' respective submissions on appeal.
10. After two requests for extension, the Minister submitted an Assessment Valuation Summary ("AVS") to the Commission on May 23, 2025. This document will be explained in more detail below.
11. The Appellants provided a response to the Minister's AVS on July 7, 2025.
12. The Minister provided a further submission in writing on September 5, 2025.

13. On November 27, 2025, the Commission set the matter down for a public hearing to be held on Tuesday, January 20, 2026, at 9:30 a.m.
14. The hearing began as scheduled on January 20, 2026. The Appellants presented their evidence and submissions. Shortly after the Minister started presenting its case, it was discovered there appeared to be issues with the completeness of the Appeal Record. As a result, the hearing was adjourned to Monday, January 26, 2026 at 1:30 p.m. to allow the Minister and its legal counsel time to review and complete the Appeal Record, and to allow the Appellants adequate time to review and respond to the additional evidence. Counsel for the Minister submitted a Supplemental Appeal Record to the Commission and the Appellants on Wednesday, January 21, 2026.
15. The hearing resumed on Monday, January 26, 2026, at 1:30 p.m. and concluded that same day.
16. At the hearing, the Appellants personally testified and made submissions.
17. The Minister was represented by legal counsel, and called two witnesses from the Department of Finance and Affordability: Boyce Costello, the Manager of Real Property Services (“Costello”) and Dean MacKinnon, Supervisor of Non-Commercial Property (“MacKinnon”).

3. ISSUES

18. There questions for the Commission to decide on an appeal pursuant to the *Real Property Assessment Act* are:
 - i) Is the assessment under appeal at market value?
 - ii) Is the assessment uniform in relation to other assessments?

4. DISPOSITION

19. The appeal is dismissed. The Commission confirms the Subject Property’s assessment of \$525,900 for the 2024 taxation year.

5. ANALYSIS

20. As a starting point, it is helpful to consider the context of this appeal within the tax assessment scheme established by the *Real Property Assessment Act* (the “RPAA” or the “Act”).

A. Statutory Scheme of RPAA

21. First, the RPAA requires all property in the province to be assessed by the Minister. Section 18 of the *Act* requires the Minister to send a notice of assessment to every person in whose name real property is assessed.

22. Assessments under the RPAA are to be determined on the basis of “market value”. Section 3 of the *Act* states:

3. Real property to be assessed

- (1) All real property in the province including real property owned by the Crown shall be assessed by the Minister.

Value of assessment

- (2) All real property owned by the Crown or any person shall be assessed at its market value, either
- (a) as commercial realty; or
- (b) as non-commercial realty.

[emphasis added]

23. The Act defines “assess” at subsection 1(c) as meaning “*to appraise real property for tax purposes*”.

24. The Act defines “appraise” at subsection 1(a) as meaning to “*provide an estimate of the market value of real property*”.

25. “Market value” is defined by the Act as:

- (f) “**market value**” means, in respect of real property, the most probable sale price of that real property as of comparable properties and the value indicated by rentals or anticipated net income;

26. Taken together, these sections confirm that the Minister is to assess a property at its market value (as is directed by section 3 of the *Act*).

27. Section 20 of the RPAA permits any person to refer their assessment to the Minister for reconsideration. Upon referral, the Minister shall reconsider the assessment and shall either vacate, confirm or vary the assessment, sending a notice to the person.

28. Section 22 of the RPAA authorizes an appeal to the Commission following the referral process:

22. Appeals to Appeals Board

- (1) Where an assessment has been referred to the Minister under section 20, and after the Minister has notified the person making the reference of the decision, the person making the reference may appeal to the Commission to have the assessment vacated or varied.

29. The RPAA sets out strict requirements and timelines for filing an appeal with the Commission. It is not disputed in this case that the Appellants’ Notice of Appeal was filed in accordance with sections 22 and 23 of the RPAA.

30. Section 28 of the RRPA provides that in any appeal to the Commission, the Minister shall demonstrate the uniformity of the assessment in relation to other assessments.

31. In sum, the issues which may be considered by the Commission on an appeal under the RPAA are whether the assessment under appeal is at market value and whether the assessment is uniform in relation to other assessments.

B. The Appellants' Position on Appeal

32. In the present case, the Appellants' position is that the Minister's assessment of their property is not uniform in relation to other assessments.
33. The Appellants' written submissions presented a comparison of properties in respect of "model codes" used to categorize property use. The use and meaning of these model codes will be described in more detail when reviewing the Minister's position on the appeal, but the Appellants submissions compared properties coded 02 (Residential) and 06 (Recreational/Seasonal). Generally speaking, properties coded 06 are typically located on or near waterfront areas and are assessed higher because they are "water influenced".
34. The Appellants property is coded 06 resulting in a higher assessment value.
35. The Appellants provided evidence in the form of an email exchange with MacKinnon wherein MacKinnon stated:

I did a recalculation using 02-001 for all structural components of your home.

If you had built in Borden-Carleton in an area where there was no water influence, your assessed value (on the house only – no land value considered) would be **326,200**.

Currently, your assessed value on structural components (no land value considered) is **491,200**.

[emphasis in original]

36. The Appellants made very thorough submissions comparing properties that are coded 02 versus those coded 06 to demonstrate inconsistencies between how properties are coded and, in their submission, assessed – even where those properties are located nearby water influence.
37. For example, the Appellants provided to the Commission several examples of properties that are located along waterways that are coded 02. They also provided examples of areas where some properties in the same waterfront subdivision are coded 02, while others are coded 06. The Commission understands the Appellants' submissions to be that this is evidence against a finding of uniformity because the Minister has been inconsistent in applying those model codes in other areas.
38. The Appellants also submitted that the examples of comparable properties relied on by the Minister in the AVS are higher-end homes than both their own and other homes in their subdivision. Further, the Appellants point out that their property is located on a private road, meaning they have no access to the following services and utilities: water and sewer, pavement, road maintenance, sidewalks, streetlights, snow removal. The Appellants also gave evidence at the hearing that school busses are not able to access Oswald Road.

The Appellants further question the assessed market value of their home in relation to the comparable properties given these limitations.

39. Finally, the Appellants presented evidence with respect to the sale prices for vacant waterfront lots in each of the subdivisions used as comparable properties in the Minister's Assessment Valuation Summary. The lot next to the Subject Property sold for \$80,000 in 2024. In the other four subdivisions, waterfront lots sold for between two and three times this amount between 2021 and 2024. The Appellants presented this as evidence that their subdivision was not as highly valued as the Minister's comparable properties.

C. The Minister's Position on Appeal

40. The Minister's position is that the assessment of the Subject Property satisfies both requirements of being at market value and uniform with other assessments.

Mass Appraisal

41. The Minister submits that the Subject Property's market value of \$525,900 was determined using mass appraisal techniques. At the hearing, MacKinnon testified that mass appraisal is a process used by assessment bodies to appraise a large group of properties using standard procedures.
42. MacKinnon described that the procedure for assessing a property for the first time involves the assessor completing both an interior inspection and an exterior visual inspection of the property. The assessor will grade the property using a 10-point grade system, grading things such as the exterior material, roof material, electrical, plumbing and heating types, windows, and interior finishes. The assessor will input that data into the assessment and taxation system, which will generate an overall quality grade.
43. In the present case, the quality grade of the Subject Property was 455, based on the assessor's inspections.
44. Costello testified that the grade point is a component of the "CAMA model"¹. Costello described the CAMA model as involving numerous variables that the assessor inputs about the components and characteristics of the property, which can vary based on quality, materials used, square footage, amenities and location, for example. Costello testified that all of that information is inputted into the CAMA model, and the model calculates a market value assessment.
45. The mass appraisal approach also involves the application of a "multiplier". MacKinnon testified that the multiplier is intended to reflect different rates at which market value has increased in specific areas and is based on previous years' market data. The multiplier increases an assessment estimate by a certain amount to reflect the value of the property's location.
46. MacKinnon testified that multipliers are specific to a "work unit", which he also described as a market area. These "work units" have a small number of properties (approximately 100 to 150, according to MacKinnon) and the Department will look at these work units to

¹ CAMA = computer-assisted mass appraisal model

see how things have moved in that specific market area and come up with a market value increase for that work unit.

47. When asked by the Commission whether an assessment needs to be uniform in its work unit or across Prince Edward Island, MacKinnon testified “both”. He said the approach to how a property is assessed from inspection to valuation needs to be uniform – for example, this would be the same exact same process whether the Subject Property was Montague or Borden-Carleton. However, he said the difference is where multipliers come into play and that the Subject Property may be assessed differently if it was located in a work unit in Montague, for example.
48. The Minister’s documentary evidence in the Supplemental Appeal Record also included a “Summary Record Card” generated by the assessment model, that included a breakdown of the various elements of the Subject Property – main home, cathedral ceilings, attached garage, room above the garage, and covered porch – and their assessment value considering the quality grade and multiplier. In the present case, the market value of the Subject Property was assessed at \$525,900.

Model Codes

49. As noted above, a primary submission of the Appellants is that their property is not uniform in assessment to some other properties located near water that have been assigned an 02 model code, instead of an 06 model code.
50. The Minister explains that PEI’s non-commercial building coding system was set up in the 1970s, and codes were established to categorize property use, occupancy and area influences (location, amenities, etc.) (Exhibit R2, pg 1). These are referred to as “model codes”. The Minister’s submission at Exhibit R2 says that the 02 (Residential Occupancy) code generally applies to structures within incorporated areas and unincorporated areas that share similar utility, services, location and marketability.
51. MacKinnon testified that, generally speaking, the 06 model code represents proximity and nearness to water. Exhibit R2 states that the 06 (Rural Recreational Use/Seasonal Occupancy) code applied to unincorporated areas that were predominantly seasonal properties, typically located on or near waterfront areas. The submission goes on to explain, however, that the 06 code evolved over the years with the increase in demand for rural property along waterfront (coastline, rivers, etc.), such that what matters now is no longer the property’s use (e.g. seasonal or recreational), but rather its location in relation to water (i.e. water influence).
52. MacKinnon testified that there are three work units in the area of Borden-Carleton. In the case of the Appellants’ work unit, all properties in that work unit have the same multiplier based on the model code. He said properties coded 06 have the same multiplier, and properties coded 02 have the same multiplier.

Assessment Valuation Summary – Direct Comparison

53. MacKinnon testified that though the market value of the Subject Property was initially determined using mass appraisal, the AVS uses a “direct comparison” approach. He described that this estimates market value by analysing recent sale prices of similar properties.

54. The Minister relies on the Assessment Valuation Summary (AVS) to establish that the Subject Property's assessment satisfies both requirements of being uniform, and at market value. The AVS was prepared by MacKinnon, who is a certified professional appraiser, and states that it was prepared following the Canadian Uniform Standards of Professional Appraisal Practice, and in accordance with provincial laws and the *Act*.
55. The AVS includes two primary sections: a comparable assessment analysis and a comparable sales analysis.
56. The Comparable Assessment Analysis compares the assessments of four (4) properties that the Minister has determined as being "comparable" to the Subject Property. The Minister describes the four comparable properties in the AVS as being all water-influenced, one story, 3-bedroom with 2(+) baths, single family dwellings located along the south shore within or around the subject area. The AVS states that these properties all offer similar utilities and amenities as the Subject Property with both positive and negative variances regarding size, quality grade, multi-vehicle garages, and water influences. The table from the AVS is reproduced below (without the identifying information about the comparable properties):

Property	Living Area sf	Size Vs. Subject	Garage	Bdrm #	Bath #	Quality Grade Factor	Water Influence	Market Asm't
Subject	2,379 sf		Attached Multi Car 964 sf	3	2.5	455	Ocean View (2 nd Row)	\$525,900
Comp #1	2,468 sf	+89 sf	Attached Multi Car 1,032 sf	3	2	435	Ocean View (Over marsh)	\$522,000
Comp #2	2,296 sf	-83 sf	Attached Multi Car 618 sq/ft	3	2.5	475	Ocean Front	\$642,100
Comp #3	2,070 sf	-309 sf	Attached Multi Car 870 sf	3	2.5	445	Ocean Front	\$536,700
Comp #4	2,106 sf	-273 sf	Attached Multi Car 728 sf	3	2	445	Ocean View (4 th Row)	\$476,000

57. MacKinnon concludes in the AVS that uniformity in the assessed value of the Subject Property is demonstrated in relation to the comparables. It also states that the market value of the Subject Property of \$525,900 is well supported by its size (2,379 sq. ft.), quality grade (455), 2.5 baths, attached multi car garage (964 sq. ft.), and reflecting its desirable setting near the waterfront with access to nearby amenities.
58. The Comparable Sales Analysis compares the sale price of four (4) properties the Minister has deemed to be comparable to the Subject Property. The sales analysis table from the AVS is reproduced below (without the identifying information about the comparable properties):

Property	Sale Date	Sale Price	Yr Built	Location	Acres	Building Size	Att. Garage	Water View	Quality Grade
Subject	-	-	2023	Borden-Carleton	0.87 Acres	2,379 sq.ft.	Att. Multi Car 964 sq/ft	Ocean View_2 nd row	455
Comp#1	April 22, 2024	\$614,000	2006	Cape Traverse	1.32 Acres	2,522 sq.ft.	Att. Single 480 sq/ft	Ocean View_2 nd row	455
Comp#2	June 1, 2022	\$682,500	2010	Cape Traverse	1.32 Acres	2,052 sq.ft.	Att. Multi Car 778 sq/ft	Ocean View_2 nd row	460
Comp#3	July 30, 2024	\$750,000	2021	St Nicholas	1.34 Acres	2,272 sq.ft.	Att. Multi Car 574 sq/ft	Ocean Front	455
Comp#4	June 3, 2022	\$620,000	2021	Chelton	0.33 Acres	1,911 sq.ft.	Att. Multi Car 484 sq/ft	Ocean View_3 rd row	435

59. MacKinnon concludes in the AVS that this sales analysis also supports the Subject Property's valuation of \$525,900. It concludes that the 2024 market value assessment is considered to represent the lower range of market value when compared to similar properties.

D. The Commission's Decision

60. As a reminder, the Commission has previously commented that the issues which may be considered by the Commission on an appeal under the RPAA are whether the assessments under appeal are uniform in relation to other assessments and whether the assessments under appeal are at market value. More specifically, section 28 of the *Act* provides that:

28. Accuracy of assessment, proof of

- (1) Subject to subsection (2), in any appeal to the Commission, the Minister shall demonstrate the uniformity of the assessment in relation to other assessments.

[emphasis added]

61. In Order LT00-03, the Commission said:

The issue of uniformity has been considered by the Commission on a number of occasions. In previous decisions (Commission Order [LT93-2](#) and [LT96-03](#)), the Commission found that an essential feature of real property assessment is uniformity. That is, no matter what other principles are to be applied, if the assessment of the property in question is carried out in a uniform manner in relation to other assessments, the assessment will be found to be valid.

The principle of uniformity is clearly reflected in Section 28(1) of the Act [...].

The onus is thus placed upon the Minister to demonstrate that the assessment on appeal meets the essential principle of uniformity.

62. Previous Commission decisions have made it clear that the onus is placed on the Minister to demonstrate that an assessment meets the “essential principle” of uniformity and to prove the market value of the subject property.
63. This approach was upheld by the PEI Supreme Court in *Prince Edward Island (Provincial Treasurer) v. Gavin*, 1997 CanLII 4645 (PESCTD). In *Gavin*, the court found (among other things) that the Commission did not err in placing the onus on the Minister to prove the market value of the subject property. The decision comments that the legislative requirement for a notice of appeal to contain a statement of the allegations of fact and the reasons in support of the appeal “does not invoke an onus of proof on the property owner that would relieve the Minister from his onus as applied by the Commission.” The decision states that it is the Minister, not the property owner, who has the appraisal and assessment apparatus and information (paras 9-10).

64. The Commission also said, in Order LT00-03:

The Commission accepts that the Respondent's use of a mass appraisal method to establish the general level of assessment for a particular area is appropriate within the provisions of the Act. However, the Commission also believes the Respondent must be prepared, on referral, to justify an assessment on an individual basis in light of unique features or blighting factors of a particular property; and to make adjustments for those features or factors that may not have been taken into account on the initial assessment.

[...]

65. Therefore, generally speaking, the onus is on the Minister to present evidence to support their assessment and position that properties under appeal have been assessed in a uniform manner and at, or below, market value.
66. For the reasons that follow, the Commission is satisfied that the Minister has demonstrated that the Subject Property has been assessed in a uniform manner at market value.
67. First, the Commission is satisfied that the Minister has demonstrated a consistent and uniform application of the mass appraisal approach with respect to the Subject Property. The Appellants did not, for example, raise issues with the recorded square footage or “quality grade factor” assigned by the initial assessment. Further, the Minister’s witnesses testified that the multiplier was applied uniformly across the Subject Property’s work unit.
68. The Commission is also satisfied that the properties relied on by the Minister for its “direct comparison”, are appropriate comparables to demonstrate uniformity in this case. Each of the properties is located along the Island’s south shore with water influence and similar quality grades, and at least two of the comparable assessments have the same multiplier as the Subject Property. Each of the comparable sales properties were sold since June 2022 and had sale prices of between 17% and 43% higher than the Subject Property’s assessed market value. Many of those properties had similar quality grades as the Subject

Property and all but one had smaller square footage. Three of the four comparable sales also had larger acreage.

69. The Commission considered whether the assessment should be adjusted in light of “unique features or blighting factors” of the Subject Property, as contemplated in Order LT00-03, but was not satisfied that any such features were present in this case. For example, while the Appellants have pointed out that the Subject Property is on a private road, the Minister’s witnesses testified that the comparable properties used in the AVS direct comparison were also located on private roads.

70. Finally, the Commission can plainly see the discrepancies raised by the Appellants with respect to the model codes. On its face, the Commission understands the Appellants’ position that there appears to be a lack of uniformity in some areas based on what properties are coded 02 versus 06. Costello also recognized in his testimony that there are discrepancies with how some other water influenced properties are coded. However, he testified that those discrepancies do not invalidate the market value or assessment of other properties, including the Appellants’. He testified that the area the Appellants are in is “homogenous” with respect to 06 codes. In respect of this point, the Commission encourages the Minister to address the identified model code discrepancies. However, in the present case, the Commission is not satisfied that the existence of errors or elsewhere is evidence of a lack of uniformity with respect to the Minister’s assessment of the Subject Property.

71. In conclusion, the Commission is satisfied that the Minister has demonstrated that the assessment of the Subject Property was carried out in a uniform manner in relation to other assessments. According, the assessment is found to be valid.

6. CONCLUSION

72. The appeal is dismissed. The Subject Property’s assessment is confirmed at \$525,900 for the 2024 taxation year.

73. The Commission thanks the parties for their submissions in this matter.

7. ORDER

74. The appeal is dismissed. The Subject Property’s assessment is confirmed at \$525,900 for the 2024 taxation year.

DATED at Charlottetown, Prince Edward Island, **October 7, 2026.**

BY THE COMMISSION:

[sgd. Gordon MacFarlane]

Gordon MacFarlane, Commissioner

[sgd. Kerri Carpenter]

Kerri Carpenter, Vice Chair

NOTICE

Section 12 of the ***Island Regulatory and Appeals Commission Act*** reads as follows:

12. The Commission may, in its absolute discretion, review, rescind or vary any order or decision made by it, or rehear any application before deciding it.

Parties to this proceeding seeking a review of the Commission's decision or order in this matter may do so by filing with the Commission, at the earliest date, a written Request for Review, which clearly states the reasons for the review and the nature of the relief sought.

Section 33 of the ***Real Property Assessment Act*** reads as follows:

33. Notwithstanding anything in any public or private Act, an appeal lies to the Supreme Court of the province from any order, decision, or award of the Commission, if notice of the appeal is given the other parties within forty-five days after the making of the order, or decisions sought to be appealed from.

NOTE: In accordance with IRAC's *Records Retention and Disposition Schedule*, the material contained in the official file regarding this matter will be retained by the Commission for a period of 2 years.