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Consultation Paper Residential Measurement Standard

After the Real Estate Council of Alberta (RECA) concluded its consultation on the Residential Measurement Standard (RMS), the Council adopted a new RMS at its April 2016 meeting. In May 2016, RECA issued a revised Guide to the Residential Measurement Standard in Alberta. At that time Council also communicated to its stakeholders that it would consider additional RMS feedback. The Alberta Real Estate Association (AREA) has made a further RMS submission and Council would like to get your opinion on this recommendation.

The current RMS

The RMS has two measurement methodologies depending on the type of property. The Guide describes them as follows:

- for detached properties, measure the property using the exterior wall at the foundation.
- for properties with common walls, such as half-duplexes, townhouses, and apartments, measure the interior perimeter walls (paint-to-paint) at floor level.

To compare detached properties to semi-attached or attached properties, the RMS allows real estate professionals to provide an additional area representation assuming exterior measurements.

AREA's submission

AREA recommended to RECA that RECA amend the RMS so that semi-detached properties are measured from the centre line of the common wall to the exterior wall at foundation. The exact wording of AREA's recommendation is as follows:

"Measure all semi-detached properties, from centre line of common wall to exterior."

"In order to be consistent with detached homes and to allow for fair comparison of semidetached properties with detached properties, AREA recommends RECA amend RMS Principle 4 to require semi-detached properties to be measured from centre line of common wall to the outside of exterior walls."

"Semi-detached properties such as duplexes have more in common with detached properties (single residential homes) than attached properties such as apartments, villas and townhouses. When a consumer buys a half-duplex, they generally own half of the *entire* property rather than simply their paint-to-paint living space. As a result, semi-detached properties are more similar to detached properties than other forms of attached housing, and should be measured the same way as other detached properties. This will ensure consistency for consumers and the ability to make meaningful comparisons between properties."

AREA's definition of semi-detached assumes "semi-detached refers to an end unit and attached refers to a centre unit with more than one demising wall."

Questions for your consideration

RECA wants your opinion as to whether or not you support the recommendation. Please consider the following six issues and questions when you provide your feedback:

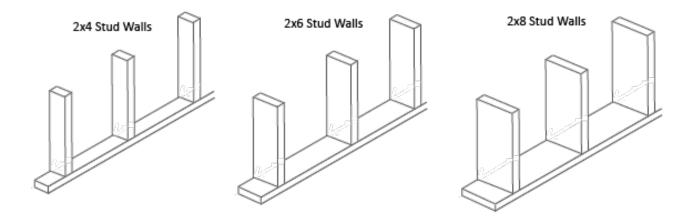
ISSUE 1: Centre line of common wall

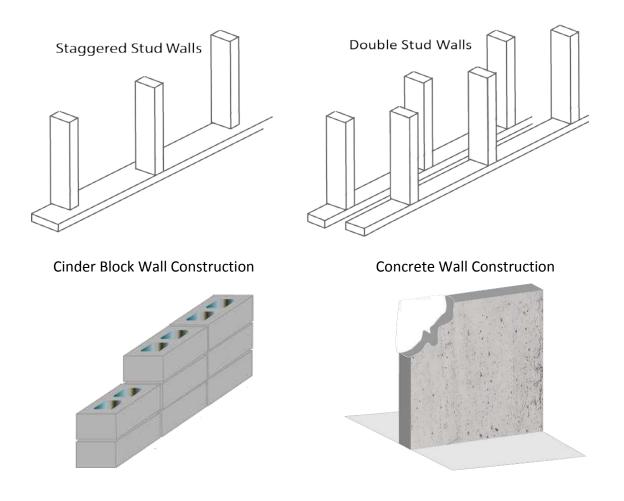
It is possible to readily determine the centre line of the common wall in semidetached properties where the properties are off-set or the real estate professional has verified they are identical to one another. However, determining the centre line of the common wall may be difficult where:

- the real estate professional is unable to verify the properties are identical
- the real estate professional has no access or permission to measure the adjoining property
- the properties are not identical in size or shape
- a property is an end unit in a row housing complex

ISSUE 2: Common wall construction varies

Common walls are constructed of stud walls, which can vary in thickness (2x4, 2x6, 2x8). Common walls can also be constructed with staggered studs or with double stud walls of variable thickness. Common walls may also be constructed of cinder blocks or concrete. See the following illustrations:





The type of common wall construction and wall thickness is not readily observable because they are often covered with gypsum board or other finishing material.

Question: How would a real estate professional readily determine the type of construction of a common wall?

Question: How would a real estate professional readily determine the location of the centre line in the common wall?

ISSUE 3: Property boundary and the common wall

The recommendation speaks to the ownership of the property. To comply with *Alberta Building Code* or the *Alberta Fire Code*, newer semi-detached properties tend to have double stud walls with air spaces between them. This means the ownership line dividing the units is located in the center of the air space.

Question: Is the recommendation appropriate for properties with double stud walls separated by an air space?

ISSUE 4: Compliance with principles of measurement

A measurement standard must comply with the principles of measurement, which means it must be possible to measure it, and the measurement must be reliable and objectively verifiable.

Question: Does the proposed measurement methodology meet the principles of measurement?

ISSUE 5: Consistency for comparison of property types

The premise of the recommendation is that it will ensure consistency for consumers, and more meaningful comparisons between properties types.

Question: Does having an additional measurement methodology create greater consistency?

Question: The RMS currently allows real estate professionals to provide an additional measurement based on assumed exterior measurement for semi-detached properties in order to compare them with detached properties. Is there a problem with this comparison that requires an additional measurement methodology?

Question: The recommendation treats the end units of a row housing complex as semi-detached while all other units in the complex are treated as attached. This means properties in the same complex are measured using different methodologies. Does this approach foster more meaningful comparisons between properties in row housing complexes?

Question: Units in cluster townhouse complexes are often end units with more than one common wall. Would these properties be treated as attached or semi-detached?

ISSUE 6: Additional measurement methodologies

The RMS has two methodologies to measure detached and all types of attached properties in order to make comparisons between them. If approved, the recommendation adds a new principle to the RMS, defining semi-detached properties and a different measurement methodology for them. This means there will be three different measurement methodologies, depending whether the property is detached, semi-detached, or attached.

Question: Is introducing an additional measurement methodology appropriate?

Your Comments

RECA invites you to provide your feedback on this recommendation. Your feedback should indicate your agreement or disagreement with the recommendation. You may also offer solutions or amendments to address any difficulties or concerns.

Written Submissions

Deadline for submissions: February 13, 2017. Please provide your feedback in writing to <u>RMS@reca.ca</u>

Please include your name along with your feedback.