

**CALGARY
COMPOSITE ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of the complaint against the Property/Business assessment as provided by the *Municipal Government Act*, Chapter M-26, Section 460(4).

between:

692590 Alberta Ltd., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

P. Irwin, PRESIDING OFFICER

J. Rankin, MEMBER

A hearing was convened on September 10th, 2010 in Boardroom 12 at the office of the Calgary Assessment Review Board, located at 1212 – 31 Avenue NE, Calgary, Alberta in respect of the Property assessment prepared by the assessor of the City of Calgary, and entered in the 2010 Assessment Roll as follows:

ROLL NUMBER:	080131907
LOCATION ADDRESS:	1801 8 ST SW
HEARING NUMBER:	56637
ASSESSMENT:	\$1,170,000

PART A: BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT

The subject property is a house located on a corner lot in the Lower Mount Royal Community. It is a commercial property used for office purposes. The zoning is Direct Control (DC/RM-5). The land area of the property is 5,997 sf and is assessed at \$196 per sf. The market value was determined by using the sales approach to value.

PART B: PROCEDURAL OR JURISDICTIONAL MATTERS

There were no objections to the composition of the Board, nor were there any jurisdictional matters.

PART C: MATTERS/ ISSUES

Is the assessed value of the property too high?

The Complainant provided a disclosure package that included a photo of the subject property, as well as City housing price trend information pointing to a recent decline in average prices. He stated that he owned a vintage 1911 house with 1200 sf on each of two floors, on a fairly large property in the inner city, in a residential multi-dwelling area. He was surprised at an increase in his assessment – in a down market. As he was unable to find any recent sales of DC properties, he presented a table of showing comparison to twelve properties. Ten of the properties were multi-residential and two were DC properties. Assessment values on all properties were provided as well as sale prices on five of the multi-residentials. The Complainant requested that the assessment be reduced to \$850,000, based on an average of three of the sales comparables.

The Respondent's disclosure package had a table of sales comparables from the Lower Mount Royal Community that included five "land-only sales" (although they had buildings on them) and one "office conversion" sale. These land-only sales were zoned as MC-2 and had an average sale price of ~\$210 per sf and a median sale price of ~\$220 per sf. No time adjustments were provided. The office conversion sale had the same zoning as the subject, was of a similar size, and had a sale price of ~\$474 per sf. However, it was a post-facto sale (February 10, 2010) and was only provided as a trend indicator. The Respondent provided four equity comparables from the Lower Mount Royal Community, all described as "office conversion". The zoning for each was the same as the subject property and the land areas were all fairly similar. They were all assessed at \$195 per sf.

Board's Findings and Reasons in Respect of Each Matter or Issue:

The Respondent's sales comparables, with a median sale price of ~\$220 per sf, did not appear to the Board to be out of line compared to the assessed value of \$196 for the subject property and the equity comparables were all the same value as the subject property. The Board noted that the Complainant's sales comparables were not in the same area of the City and they were zoned differently, ultimately making direct comparability problematic. The Board notes that the burden of proof rests with the Complainants to provide evidence that is sufficiently compelling in order to allow the Assessment Review Board to alter the assessment. In this case, while there may be perceptions of negative market influences, the Board considered that the onus to prove that the assessment on the subject property was incorrect was not met.

PART D: DECISION(S)

The Board confirms the 2010 assessment at \$1,170,000.

DATED AT THE CITY OF CALGARY THIS 15 DAY OF OCTOBER 2010.


P. Irwin, Presiding Officer

APPENDIX "A" : ORAL REPRESENTATIONS

<u>PERSON APPEARING</u>	<u>CAPACITY</u>
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<i>John Jackson</i>	<i>representing 692590 Alberta Ltd.</i>
<i>Roy Natyshen</i>	<i>Assessor, City of Calgary</i>

APPENDIX "B" : DOCUMENTS RECEIVED BY THE ASSESSMENT REVIEW BOARD

Document C – 1	Complainant's Brief (considered)
Document R – 1	Respondent's Brief (considered)

An appeal may be made to the Court of Queen's Bench on a question of law or jurisdiction with respect to a decision of an assessment review board.

Any of the following may appeal the decision of an assessment review board:

- (a) the complainant;*
- (b) an assessed person, other than the complainant, who is affected by the decision;*
- (c) the municipality, if the decision being appealed relates to property that is within the boundaries of that municipality;*
- (d) the assessor for a municipality referred to in clause (c).*

An application for leave to appeal must be filed with the Court of Queen's Bench within 30 days after the persons notified of the hearing receive the decision, and notice of the application for leave to appeal must be given to

- (a) the assessment review board, and*
- (b) any other persons as the judge directs.*