

**CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

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

between:

Venice Company Inc., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

B. Horrocks, PRESIDING OFFICER

Y. Nesry, MEMBER

I. Fraser, MEMBER

This is a complaint to the Calgary Assessment Review Board in respect of a property assessment prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

ROLL NUMBER	LOCATION ADDRESS	HEARING NUMBER	ASSESSMENT
057000606	512 EDMONTON TR NE	56705	\$ 841,000
057000408	520 EDMONTON TR NE	56707	\$1,120,000
057000705	516 EDMONTON TR NE	56710	\$1,100,000
057241101	510 4 AVE NE	56712	\$ 558,500
057241002	512 4 AVE NE	56714	\$ 556,500
057241200	502 4 AVE NE	56736	\$ 560,000

This complaint was heard on the 27th day of September, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6

Appeared on behalf of the Complainant:

- Mr. P. Fischer (Venice Company Inc.)

Appeared on behalf of the Respondent:

- Ms. S. Poon

Board's Decision in Respect of Procedural or Jurisdictional Matters:

At the outset of the hearing there was agreement to combine the 6 files and proceed with one argument. The merit hearing proceeded.

Property Description:

The subject property, when combined, is a 42,401 sq. ft. (0.973 acre) irregular shaped parcel located in the Bridgeland community in NE Calgary. The site is unimproved with servicing up to the property lines. The current land use classification is RM-3 Residential Medium Density.

Issues:

The "Assessment Review Board Complaint" form contained the following narrative in Section 5 – Reason(s) For Complaint: "This is one of six complaint forms to be heard as a group. The six properties were listed for sale in a fore closure action for \$3,200,000. The realtor suggested the total list price to be set below \$2,000,000. The current assessment by the City of Calgary totals \$4,736,000. Addn'l info attached."

Complainant's Requested Value: \$2,133,000

Board's Decision in Respect of Each Matter or Issue:

The complainant submitted the following documents as evidence in support of his request for an appraisal of \$2,133,000 (\$50/ sq. ft.):

C-1 Copy of a letter to the Assessment Review Board dated February 27, 2010.

C-2 Copy of a Commercial Real Estate Purchase Contract Number 226024.

C-3 Copy of an Appraisal Report prepared by Altus Group Ltd. dated March 25, 2008.

C-4 Copy of a letter from Avison Young dated October 8, 2008.

Documents C-1, C-2 and C-4 pertained to previous unsuccessful attempts to market and sell the property.

In support of his request for an assessment of \$2,133,000 (\$50/ sq. ft.) the complainant directed the Board to page 24 of the Appraisal Report (C-3) wherein the author provided 6 purported sales comparables from the period Jan-07 thru Mar-08.

The adjusted sale prices ranged from a low of \$58.02 to a high of \$83.23/ sq. ft., with an average of \$69.65/ sq. ft. It was noted that the site at 3312 - 3rd Avenue NW was a listing.

It was also noted that, with one exception (813 - 5th Street NE), the above comparables were somewhat distant from the subject and there was no explanation for the minimal location adjustments.

The Appraisal Report (C-3) concluded on page 27, "Having regard to all of the information contained in this appraisal, it is our professional and considered opinion that market value of the subject land (42,400 sq. ft.), effective March 25, 2008 subject to the important underlying contingent and limiting conditions outlined herein, is \$2,800,000." (\$66.04/ sq. ft.)

The respondent submitted evidence package labelled R-1.

The respondent, at page 22, provided the 2010 MR3 LAND RATE STUDY which contained 12 sales comparables. The sales occurred during the period February 28, 2007 to March 25, 2009. The sale prices ranged from \$94.94/ sq. ft. to \$166.17/ sq. ft. with an average of \$119.87/ sq. ft.

Upon questioning, it was determined that if only the 5 most recent sales were utilized for comparative purposes (July 24, 2007 thru March 25, 2009), the average sale price would have been \$112.12/ sq. ft.

The Board does not find the purported comparables utilized in the Appraisal Report to be similar to, or reflective of, the subject property.

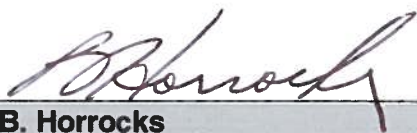
The Board finds the comparables presented by the respondent to be more reflective of the market value for MR-3 properties and most supportive of the assessed value of \$106/ sq. ft.

Board's Decision:

The 2010 assessment of the subject properties is confirmed as noted below:

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DATED AT THE CITY OF CALGARY THIS 7th DAY OF OCTOBER 2010.



B. Horrocks
Presiding Officer

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.*