**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, Revised Statutes of Alberta 2000 (the Act).

between:

***J.N.P. Investments Ltd. (as represented by MNP LLP), COMPLAINANT***

and

***The City Of Calgary, RESPONDENT***

before:

***P. Petry, PRESIDING OFFICER***

***H. Ang, BOARD MEMBER***

***R. Deschaine, BOARD MEMBER***

These are complaints to the Calgary Assessment Review Board in respect of a property assessments prepared by the Assessor of The City of Calgary and entered in the 2013 Assessment Roll as follows:

<b>ROLL NUMBERS:</b>	<b>ADDRESSES:</b>	<b>FILE NUMBERS:</b>	<b>ASSESSMENTS:</b>
200617033	550 602 – 12 Ave. S.W.	70751	\$466,000
200617058	500 602 12 Ave. S.W.	70755	\$878,000
200617041	530 602 12 Ave. S.W.	70758	\$700,000

This complaint was heard on the 12<sup>th</sup> day of June, 2013 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- *G. Worsley and W. Van Bruggen*

Appeared on behalf of the Respondent:

- R. Ford

**Property Description:**

- [1] The subject properties are office condominium units located in the same building in the Beltline and are all owned by the same owner. The building was constructed in 1979 but converted to condominium units in 1995. The units range in size from 1,549 sq. ft. to 2,911 sq. ft. and are all assessed on the basis of \$302 per sq. ft.

**Issues:**

- [2] The primary issue in this dispute centres on the direct sales approach and the resulting market value produced for the properties under complaint.

**Complainant's Requested Value:**

- [3] The Complainant requests that the value of each be based on \$268 per sq. ft. with the following results:

200617033	550 602 – 12 Ave. S.W.	\$410,000
200617058	500 602 12 Ave. S.W.	\$780,000
200617041	530 602 12 Ave. S.W.	\$620,000

**Board's Decision:**

- [4] The CARB's decision is to confirm the assessments.

**Legislative Authority, Requirements and Considerations:**

- [5] The Composite Assessment Review Board (CARB), derives its authority from Part 11 of the Municipal Government Act (MGA) RSA 2000:
- [6] *Section 460.1(2): Subject to section 460(11), a composite assessment review board has jurisdiction to hear complaints about any matter referred to in section 460(5) that is*

*shown on an assessment notice for property other than property described in subsection (1)(a).*

- [7] For purposes of the hearing, the CARB will consider MGA Section 293(1):

*In preparing an assessment, the assessor must, in a fair and equitable manner,*

*(a) apply the valuation and other standards set out in the regulations, and*

*(b) follow the procedures set out in the regulations*

- [8] The Matters Relating to Assessment and Taxation Regulation (MRAT) is the regulation referred to in MGA section 293(1)(b). The CARB consideration will be guided by MRAT Part 1 Standards of Assessment, Mass appraisal section 2:

- [9] *An assessment of property based on market value*

*(a) must be prepared using mass appraisal,*

*(b) must be an estimate of the value of the fee simple estate in the property, and*

*(c) must reflect typical market conditions for properties similar to that property*

### **Summary of the Party's Positions**

#### **Complainant**

- [10] The Complainant provided three sales and one post-facto sale which together produced an average time adjusted sales price of \$263.82 per sq. ft. Two tables were introduced by the Complainant to show the comparative values between retail condominium sales vs. office condominium sales. The Complainant had prepared several additional tables and graphs, however requested that the CARB ignore this material.

- [11] The Complainant's argument was that considering the valid sales in the subject it can readily be concluded that a value based on \$268 per sq. ft. is a realistic indicator of value for those units under complaint.

#### **Respondent**

- [12] The Respondent brought forward a rather extensive table of Beltline sales which produced an average selling price of \$330 per sq. ft. and a median of \$321 per sq. ft.

- [13] The Respondent argues that the Complainant has primarily focused on the subject building and this would not produce typical values for the Beltline. The Complainant has included a retail space sale and a post-facto sale which should not be considered as valid data for the subjects.

### **Findings and Reasons for the Board's Decision:**

- [14] The CARB has carefully considered both parties sales data. The Board concluded that the Complainant had relied on post-facto and retail information which could not be accorded much weight.

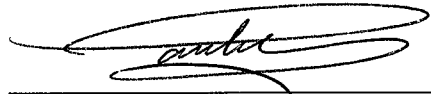
[15] The information brought forward with regards retail and office condominium values appears to support the need to consider these types independently. The Complainant's final argument after excluding the retail sale and the post-facto sale left two sales within the subject building producing a value of \$268 per sq. ft. The CARB found that this is an insufficient basis on which to change the assessments.

[16] The Assessments are therefore confirmed as follows:

200617033	550 602 – 12 Ave. S.W.	\$466,000
200617058	500 602 12 Ave. S.W.	\$878,000
200617041	530 602 12 Ave. S.W.	\$700,000

It is so ordered.

DATED AT THE CITY OF CALGARY THIS 11<sup>th</sup> DAY OF July 2013.

  
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Presiding Officer

**APPENDIX "A"**

**DOCUMENTS PRESENTED AT THE HEARING  
AND CONSIDERED BY THE BOARD:**

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant Disclosure
2. C2	Complainant Rebuttal
2. R1	Respondent Disclosure

*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.*

FOR ADMINISTRATIVE USE

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
Commercial	Office	Condominium	Direct Sales	