



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:

Paulina Holdings Ltd. (as represented by Altus Group), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

T. Helgeson, PRESIDING OFFICER
R. Cochrane, BOARD MEMBER
R. Roy, BOARD 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 2013 Assessment Roll as follows:

ROLL NUMBER: 034187500

LOCATION ADDRESS: 423 38 Avenue NE

FILE NUMBER: 72475

ASSESSMENT: \$1,820,000

This complaint was heard on the 3rd day of September, 2013 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 8.

Appeared on behalf of the Complainant:

- *M. Robinson*

Appeared on behalf of the Respondent:

- *M. Hartmann*

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

[1] During the hearing, the Respondent advised the Board and the Complainant that equity is not an issue in the matter at hand.

Property Description:

[2] The subject property is located in the Greenvue Industrial Park. The area of the land parcel is 0.81 acres. There is a multi-tenanted warehouse on site that was constructed in 1978. Site coverage is 43%. The assessable area of the building is 14,884 square feet ("sq. ft."). The building has been assessed at \$130.21 per sq. ft.

Issue:

[3] Is there evidence to support a reduction in the assessment?

[4] **Complainant's Requested Value:** \$1,200,000

[5] **Board's Decision:** The assessment is reduced to \$1,200,000.

Positions of the Parties

Complainant's Position:

[6] The Complainant will present sales comparables showing the subject is over-assessed. Of particular interest is the June 20, 2012 sale of the subject property for \$1,200,000, an amount significantly lower than the assessment.

[7] The subject property is a low-level building. It sold eleven days before the valuation date, of July 1. The sale is the best indicator of value.

[8] The time adjusted sale price is at \$81 per sq. ft. The assessment is at 122 per sq. ft., hence the subject property is clearly over-assessed.

Respondent's Position:

[9] The Respondent considers other sales. In the Respondent's sales chart at page 21 of R-1, there are seven sales, all with similar parcel sizes, site coverages, and ages. These sales have a median time-adjusted sale price of \$136.01, which establishes that the subject property's assessed rate of \$130.21 is an accurate estimate of value. The best comparable is 4605 12 Street NE, like the subject property with a multi-tenant building, assessed at a rate of \$136.01.

[10] Our industrial equity chart (R-1, page 23) shows that the assessment of the subject property is by no means inequitable. The median assessed value of the five comparables is \$136.52. It would not be fair to adjust the assessment to sale price. The sale of the subject property was a low sale. The assessed value of the subject property is in line with equity comparables.

Board's Reasons for Decision:

[11] The Board finds no evidence that would impugn the sale of the subject property. In fact, the Respondent relied on the sale of the subject property at page 21 of R-1. If the sale is a trifle low, perhaps it is due to exempt space. Another factor in the sale might have been the steel construction of the building on the subject property. Steel buildings generally sell for less. Be that as it may, the Court of Queen's Bench that support sales of individual properties as indicators of their market value for assessment purposes.

[12] One such decision is *Mountain View (County) v. Alberta (Municipal Government Board) and Keiver*, 2000 ABQB 594. In that decision, Justice Fraser had this to say at paragraph 29 of his decision: "To summarize, I am of the view that the Board was entitled in law to reduce the land assessment under review to market value as it did, notwithstanding the resulting value was not determined by the use of mass appraisal and notwithstanding that the revised assessment may not have been fair and equitable at the time having regard to other assessments in the County. The application of the County to have Board order MGB 172/99 quashed is therefore dismissed."

[13] The Board reduces the assessment to the sale value of the subject property, \$1,200,000. It is so ordered.

DATED AT THE CITY OF CALGARY THIS 12th DAY OF December 2013.



Presiding Officer

APPENDIX "A"**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant Disclosure
2. C2	Complainant Rebuttal
3. R1	Respondent Disclosure

For Administrative Use

Subject	Property Type	Property Sub-type	Issue	Sub-Issue
CARB	Warehouse	Multi-Tenant Complex	Sales Approach	Equity Comparables

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.*