

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:

Paragon Investments Ltd. (as represented by MNP LLP), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, J. Zezulka
Board Member, D. Morice
Board Member, P. McKenna***

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 2014 Assessment Roll as follows:

ROLL NUMBER: 048041800

LOCATION ADDRESS: 2835 - 19 Street NE

FILE NUMBER: 74341

ASSESSMENT: \$3,730,000

This complaint was heard on the 30th day of July, 2014 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:

- *J. Langelaar, Agent, MNP LLP*
- *Y. Lau, Agent, MNP LLP*

Appeared on behalf of the Respondent:

- *F. Taciune, Assessor, City of Calgary*
- *M Hartmann, Assessor, City of Calgary*

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

- (1) There were no procedural or jurisdictional matters raised by either party.

Property Description:

- (2) The subject is a multi unit warehouse property located in the South Airways community of NE Calgary. The building has an assessable area of 29,940 square feet (s.f.). The building was built in 1978. The finish ratio is 33.0 per cent. The land area is 1.27 acres. The land is designated I-G. Site coverage is 40.20 per cent.

Issues:

- (3) The property is currently being assessed by the sales comparison approach. The Complainant does not dispute the sales comparison method of valuation. The current assessment reflects a rate of \$137.13 per s.f.. The Complainant contends that that rate is not equitable with similar properties, and that the rate does not properly reflect market value.

Complainant's Requested Value: \$3,470,000

Board's Decision:

- (4) The assessment is reduced to \$3,470,000.

Legislative Authority, Requirements and Considerations:

- (5) This Board derives its authority from section 460.1(2) of the Act.

- (6) Section 2 of Alberta Regulation 220/2004, being the Matters Relating to Assessment and Taxation Regulation (MRAT), states as follows;

"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"

(7) Section 467(3) of the Act states;

"An assessment review board must not alter any assessment that is fair and equitable, taking into consideration (c) the assessments of similar property or businesses in the same municipality."

(8) For purposes of this Complaint, there are no extraneous requirements or factors that require consideration.

Position/Evidence of the Parties

(9) The Complainant submitted four comparable sales that reflected a median and average selling price of \$116, and \$113 per s.f.. The Respondent did not dispute the validity of any of the sales.

(10) The Respondent submitted seven comparable sales that reflected an average selling price of \$123.25 per s.f. The median of these comparables appears at \$116.39 per s.f.

(11) Five equity comparables submitted by the Respondent reflect a median and average assessment of \$134.63 and \$135.59 per s.f.

Findings and Reasons for Decision:


(12) Both parties to this complaint submitted comparables that essentially support the Complainant's requested value. This Board is more convinced by actual sales that reflect market value than it is by equity comparables that may or may not reflect accurate assessments.

DATED AT THE CITY OF CALGARY THIS

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DAY OF ~~September~~ 2014.

Presiding Officer



Jerry Zezulka

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

Decision No. CARB 74341P/2014			Roll No. 048041800	
<u>Subject</u>	<u>Type</u>	<u>Issue</u>	<u>Detail</u>	<u>Issue</u>
CARB	Industrial warehouse	Market Value	Sales comparison	