



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:

***CANTANA INVESTMENTS LIMITED,
(as represented by Altus Group),
COMPLAINANT***

and

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

before:

***R. Glenn, PRESIDING OFFICER
H. Ang, BOARD MEMBER
J. Massey, 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 2014 Assessment Roll as follows:

ROLL NUMBER:	078042504
LOCATION ADDRESS:	3005 Ogden Road SE
FILE NUMBER:	74619
ASSESSMENT:	\$10,180,000

This complaint was heard on Wednesday, the 25th day of June, 2014 at the offices of the Assessment Review Board located at Floor Number 4, at 1212 – 31 Avenue NE, Calgary, Alberta, in Boardroom 4.

Appeared on behalf of the Complainant:

- D. Mewha, Agent, Altus Group

Appeared on behalf of the Respondent:

- J. Tran, Assessor, The City of Calgary

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

[1] There were no questions of Jurisdiction or Procedure raised prior to, or during the hearing.

Property Description:

[2] The subject property is a 10.09 acre parcel of land with a two building improvement, Year of Construction(YOC): 1960 and 2004), with a building quality of C- and A- respectively, currently used as a RONA Home Improvement Contractor's Store and lumber yard, located on Ogden Road, just off Blackfoot Trail SE.

Issue:

[3] Whether the subject property has been properly assessed using the Direct Sales Comparison Approach.

Complainant's Requested Value: \$9,250,000

Board's Decision:

[4] The Board reduced the assessment to the Time Adjusted Sale Price of the subject at \$9,430,000.

Position of the Parties

Complainant's Position:

[5] The Complainant provided a number of sales comparables, also noting that the subject was sold on June 28, 2012. They also provided a couple of equity comparables, along with the details of all of their comparables.

[6] They also quote from the Acton Decision at (2005 ABQB 512) where they state :

"I think that generally speaking the recent sales price, if available as it was in this case, is in law and, in common sense, the most realistic and the most reliable method of establishing market value."

[7] The Complainant went on to provide a number of previous CARB decisions which supported the concept that the recent sale price of a subject property being a good indication of the market value of that subject property.

[8] On cross-examination, the Complainant admitted that the subject was single-tenanted, whereas some of their comparables were not. The Complainant also suggested that all of their sales comparables were valid arm's length transactions.

Respondent's Position:

[9] The Respondent argued that none of the Complainant's comparables (all of which were single building properties) were really comparable to the subject. They said that the only real evidence before the Board was the sale of the subject. They went on to argue that the sale of a property is subject to a number of factors, including market conditions, the negotiating ability of the buyer or seller, as well as a number of other factors that make one a motivated buyer or seller.

[10] The Respondent also provided a number of sales comparables which they say fully supported the subject assessment. They also provided an aerial photo which they say demonstrated that the subject had a lot of extra land, which they say the Complainant should have considered in their argument. The Respondent suggested that the extra land here is excess land, not additional land.

[11] The Respondent's brief contained a site coverage adjustment chart which the Complainant argued "overshoots" the appropriate value for additional land. The Respondent simply argued that there had to be a land adjustment, whereas the Complainant disagreed.

[12] The Respondent went on to argue that the Complainant should have included some multi-building sites in their comparables. All of the Respondent's Industrial Equity Chart of comparables was multi-building. The Complainant's sales comparables included a property that was part of a portfolio sale and therefore should not be considered as a comparable.

[13] The Respondent closed their argument by reiterating that the land area must be adjusted for. They stated that properties have sold in "our range of values". The Board should not just consider one sale price, and there should be more comparables considered.

Board's Reasons for Decision:

[14] The Board accepts the argument and evidence of the Complainant. The Complainant provided strong support for their contention that the sale price of the subject is a more reliable indication of market value.

[15] Conversely, the Respondent provided very little in the way of germane evidence to support their assessed value. It is important that the Respondent recognize that once the Board determines that the initial onus relating to the complaint is met, the onus then shifts to the Respondent to defend the assessed value. In this matter, the Board is of the opinion that the Respondent has not met that requisite onus.

[16] The within assessment is therefore reduced to the Time Adjusted Sale Price of the subject property, that is, \$9,430,000.

DATED AT THE CITY OF CALGARY THIS 23 DAY OF

July 2014



R. Glenn
Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. C2	Complainant Rebuttal Disclosure
3. 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.*

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Appeal Type	Property Type	Property type	Sub-	Issue	Sub-issue
CARB	Vacant Land			Market Value	Recent sale