



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:

***MMP Holdings Ltd. (as represented by Assessment Advisory Group),
COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

<i>K. Thompson,</i>	<i>PRESIDING OFFICER</i>
<i>J. Massey,</i>	<i>BOARD MEMBER</i>
<i>A. Wong,</i>	<i>BOARD MEMBER</i>

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:	200971380
LOCATION ADDRESS:	205 1170 Kensington Cr NW
FILE NUMBER:	75991
ASSESSMENT:	\$2,660,000

This complaint was heard on the 29th day of July, 2014 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:

- S. Cobb *Agent, Assessment Advisory Group*

Appeared on behalf of the Respondent:

- J. Villeneuve-Cloutier *Assessor, City of Calgary*

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

[1] No procedural or jurisdictional issues were brought forward. The Board continued with the merits of the complaint.

Property Description:

[2] The subject property is a retail condominium and is located at 205 1170 Kensington Cr NW in the community of Hillhurst and the submarket area of Kensington. This property is assessed as Class A2 and has 4,614 square feet (sf) of mixed use retail and was constructed in 2006. The parcel size is 0.13 acres and is zoned as Commercial-Corridor 1 (C-COR1).

[3] The subject property is assessed using the sales comparison method of valuation at a rate of \$578.70 per square foot (psf).

Issues:

[4] The value of the property would better reflect market if it were based on a rate of \$313.00 psf.

Complainant's Requested Value: \$1,440,000

Board's Decision:

[5] The assessment is confirmed at \$2,660,000.

Legislative Authority, Requirements and Considerations:

[6] Section 460.1(2) of the Act provides that; 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).

Position of the Parties

Complainant's Position:

[7] The Complainant contends that the subject property's assessment is incorrect with respect to market value and equity, and is not consistent with other equity comparables of the same build and in close proximity to the subject.

[8] The Complainant provided a comparable chart and a map including five sales and one equity comparable [C1, pp. 11-12] to illustrate that the rate of the subject was excessive. The range of the sale comparables was \$211.00 psf – \$330.00 psf, with a median of \$311.00 psf. The equity comparable was at a rate of \$377.00 psf. Documentation was provided on each comparable [C1, pp. 13-36]. The Complainant stated that comparable one and five were considered the best comparables to the subject property, with rates of \$211.00 psf and \$313.00 psf respectively.

Respondent's Position:

[9] The Respondent stated that a mass appraisal approach is required in determining the market value for assessment purposes. This relies on typical rates in order to treat similar properties in an equitable manner. The Respondent went on to say the subject property is in a good location in Kensington.

[10] The Respondent provided a chart of three sales comparables to support the value of the subject [R1, p. 14]. The range of the sales was from \$497.67 psf–\$ 538.79 psf with a median of \$534.10 psf. Documentation on the sales was provided [R1, pp. 19-27].

[11] The Respondent also provided a chart with five equity comparables, all in the subject property's sub market area of Kensington. The equity comparables ranged from \$590.96 psf - \$600.68 psf.

[12] The Respondent stated in this market area the location and type of property are particularly important to the value of the property. The Complainant's office condo comparables are not similar enough to the subject to be used as good indication of value. The Respondent notes that of the five sales provided by the Complainant, one is a standalone building, one sale is post facto, one is an large multi storey office building – not a retail building and one is a much older office building valued on the income approach and not a condominium. The equity comparable was the ground floor of an apartment building.

[13] In questioning the Complainant noted that the Respondent's sales were all very different in size from the subject property and none were second floor condominiums.


Board's Reasons for Decision:

[14] The Board reviewed the evidence provided by both parties and will limit its comments to the relevant facts pertaining to this case. In particular the Board reviewed the Complainant's sale and equity comparables and found there was little evidence to compel the Board to alter the subject's value. The sale comparisons given by the Complainant were either in a different location or dissimilar to the subject property. The Board did not accept that these properties would trade in the same market as the subject.

[15] The Respondent's equity comparables illustrated that a number of similar properties were valued similar to the subject.

[16] The Board finds insufficient evidence to alter the rate applied to this property. The assessment is confirmed.

DATED AT THE CITY OF CALGARY THIS 27th DAY OF August 2014.



K. Thompson

Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
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.*

Property Type	Property Sub-Type	Issue	Sub issue
retail	condo	Sales comparison Approach	Rate psf