



## **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:**

***WAC Holdings Ltd.***  
***(as represented by Colliers International Realty Advisors Inc.), COMPLAINANT***

**and**

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

**before:**

***B. Horrocks, PRESIDING OFFICER***  
***T. Livermore, BOARD MEMBER***  
***R. Kodak, 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:

|                          |                         |
|--------------------------|-------------------------|
| <b>ROLL NUMBER:</b>      | <b>067891028</b>        |
| <b>LOCATION ADDRESS:</b> | <b>101 1100 8 AV SW</b> |
| <b>FILE NUMBER:</b>      | <b>76610</b>            |
| <b>ASSESSMENT:</b>       | <b>\$742,000</b>        |

This complaint was heard on the 5th day of August, 2014 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6

Appeared on behalf of the Complainant:

- T. Howell (Colliers International Realty Advisors Inc.)

Appeared on behalf of the Respondent:

- B. Tang (City of Calgary)

Observers:

G. Jones, B. Galle and K. Ivinac (City of Calgary)

**CARB's Decision in Respect of Procedural or Jurisdictional Matters:**

- [1] There were no concerns with the CARB as constituted.
- [2] The parties have visited the site.
- [3] The parties have not discussed the file.
- [4] There were no preliminary matters. The merit hearing proceeded.

**Property Description:**

[5] The subject property is a Retail Condo located in an Apartment Building / Highrise, commonly known as Westmount Place, in the Downtown West End community in SW Calgary. The building was constructed in 1979 and is classified as good quality. The subject Condo contains 2,283 square feet of assessable area.

[6] For the 2014 tax year the subject property is assessed using the Sales Comparison Approach to Value with a per square foot (psf) rate of \$325.00.

**Issues:**

[7] An assessment amount was identified on the Assessment Review Board Complaint Form as the matter that applies to the complaint. At the outset of the hearing, the Complainant advised that there was one outstanding issue, namely; market value.

**Complainant's Requested Value:** \$645,540 (Complaint Form)  
\$605,000 (Hearing)

**CARB's Decision:**

- [8] The 2014 assessment is confirmed at \$742,000.

**Legislative Authority, Requirements and Considerations:**

The Composite Assessment Review Board (CARB) derives its authority from the Act, Section 460.1:

- (2) *Subject to section 460.1(1), 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).*

The Act requires that:

- 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.*

Matters Relating to Assessment and Taxation Regulation (MRAT) requires that:

- 2 *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.*
- 4(1) *The valuation standard for a parcel of land is*
- (a) *market value, or*
  - (b) *if the parcel is used for farming operations, agricultural use value*

**CARB's Decision in Respect of Each Matter or Issue**

**Issue:** What is the market value of the subject property, for assessment purposes?

**Complainant's Position:**

[9] The Complainant's Disclosure is labelled C-1.

[10] The Complainant submitted that the Respondent has grouped "retail" and "office" condos into one analysis. The Complainant, on page 36, provided a table titled Colliers Direct Sales Analysis. The table contains details of three sales (2 C quality and 1 B quality) that occurred in the period June 16, 2011 to October 23, 2012. The time adjusted sale prices (TASP) ranged from \$224.42 psf to \$329.20 psf, with a mean TASP of \$286.17 psf and a median TASP of \$304.89 psf.

[11] The Complainant submitted that in CARB 70120P-2013, transactions of 'C' quality properties were considered most relevant to the subject. Further, if only "C" quality transactions are considered in its analysis, the median TASP is reduced to \$264.66 psf. The Complainant requested the assessed rate be reduced to \$265.00 psf.

**Respondent's Position:**

[12] The Respondent submitted the subject is assessed as a 'B' class condo, whereas the Complainant is requesting the subject be compared to 'C' class condos.

[13] The Respondent, on page 16, provided a table titled Downtown B Class Commercial Condo Sales Sample. The table contains details of four sales (3 retail condos and 1 office condo) that occurred in the period November 1, 2010 to March 27, 2013. The TASP/sf ranged from \$329.20 to \$488.88, with a median TASP/sf of \$335.69. The Respondent noted the subject is assessed at the rate of \$325.00 psf.

**Complainant's Rebuttal Position:**

[14] The Complainant's Rebuttal Disclosure is labelled C-2.

[15] The Complainant, on page 21, reproduced the Respondent's Analysis. The Complainant submitted the sale of 117 128 2 AV SW should be removed from the analysis because it is 11 years newer than the subject, considerably smaller than the subject and it is located in DT9 which is distant from the subject in DT2. Further, the sale of 111 7 ST SW should be removed from the analysis, as it is 20 years newer than the subject.

**CARB's Findings:**

[16] The CARB finds that the Complainant's comparable sale at 800 900 6 AV SW should be removed from the analysis as it is located on the eighth floor and is not comparable to the subject.

[17] The CARB finds that the Respondent's comparable sale at 117 128 2 AV SE should be removed from the analysis as it is newer, smaller and considerably distant from the subject.

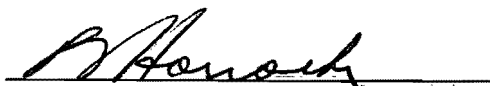
[18] The CARB finds the Respondent's comparable sale at 111 7 ST SW should be removed as it is 20 years newer than the subject.

[19] The CARB finds that if both parties' remaining sale comparables are combined and analyzed, the median TASP/sf is \$328.80, which supports the assessed rate of \$325.00 psf.

**CARB's Reasons for Decision:**

[20] Combining the sale comparables from both parties produces a median sale price per square foot that supports the assessed rate.

DATED AT THE CITY OF CALGARY THIS 21<sup>st</sup> DAY OF August 2014.



B. Horrocks

Presiding Officer

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

| <b>NO.</b> | <b>ITEM</b>            |
|------------|------------------------|
| 1. C1      | Complainant Disclosure |
| 2. R1      | Respondent Disclosure  |
| 3. C2      | Complainant Rebuttal   |

*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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| <b>Property Type</b> | <b>Property Sub-Type</b> | <b>Issue</b>          | <b>Sub-Issue</b>     |
|----------------------|--------------------------|-----------------------|----------------------|
| <i>Retail</i>        | <i>Condo</i>             | <i>Sales Approach</i> | <i>Market Value.</i> |