

**CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of the complaint against the business assessment as provided by the *Municipal Government Act*, Chapter M-26, Section 460, Revised Statutes of Alberta 2000 (the Act).

between:

***Northeast Auto Ltd. (as represented by Advantage Valuation Group Inc.),
COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, Earl K Williams
Board Member, D Julien
Board Member, A Zindler***

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 2012 Assessment Roll as follows:

ROLL NUMBER: 200813103

LOCATION ADDRESS: 2225 3 AV NE

HEARING NUMBER: 65900

ASSESSMENT: \$2,300,000

This complaint was heard on 12 day of July, 2012 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:

- N Laird

Appeared on behalf of the Respondent:

- J Greer

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

- [1] No Procedural or Jurisdictional Matters were raised by the parties.

Property Description:

- [2] The subject property is a 2.743 acre (119,483 square foot) vacant parcel of land located at 2225 3 Av NE in the Community of Meridian. The land use is Industrial – General (I-G) and has been assigned a corner lot influence adjustment of 5%.

Issues:

- [3] The assessment is not market value or equitable in consideration of its location.

Complainant's Requested Value: \$2,130,000

Board's Decision in Respect of Each Matter or Issue:

- [4] The Complainant and Respondent presented a wide range of relevant and less relevant evidence.

- [5] The Complainant's evidence package included a Summary of Testimonial Evidence, the City of Calgary 2012 Property Assessment Notice, the 2012 Assessment Explanation Supplement Industrial Land, a site plan, exterior photograph of the subject property, a table of Sale and Assessment Comparable Data 2012, a map identifying the location of the subject and the comparables, the Property Assessment Summary Report and the Commercial Edge Sale Data Detail for selected comparables.

- [6] The Respondent's evidence package included a Summary of Testimonial Evidence; the 2012 Assessment Explanation Supplement Industrial Land and Cost for the subject property, an aerial photograph identifying the location of the subject property, the 2012 Industrial Land Values, a table of sale and equity comparables and an analysis of the Complainant's sale and equity comparables.

Complainant

- [7] The Complainant reviewed 4 sales and equity comparables presented in a table on page 5 of Exhibit C-1. The following table presents the comparable and the subject property.

Address	Parcel Size (sq ft)	Sale Date	Sale Price	Adj. Sale Price psf*	Assessment 2012	Assessment psf
Comparables						
2652 3 Ave SE	94,726	2010-03-03	\$2,000,000	\$21.11	\$1,600,000	\$16.89
2710 5 Ave NE	108,900	2011-11-09	\$2,000,000	\$18.37	\$2,010,000	\$18.46
3820 32 St NE	37,981	2010-08-18	\$800,000	\$21.06	\$697,500	\$18.36
3810 12 St NE	43,542	2011-10-06	\$850,000	\$19.52	\$799,500	\$18.36
Weighted Average				\$19.81		\$17.91
Subject						
2225 3 Av NE	119,483	2007-05-10	\$2,250,000	\$18.33	\$2,300,000	\$19.25

* Adjusted Sale price per square foot

In respect of the comparables the average adjusted sale price of the 4 comparables is higher than the sale price of the subject and the average 2012 per square foot (psf) assessment is lower than the subject. The Complainant identified that the comparables at 2652 3 Ave SE and 2710 5 Ave NE which are located on busier and higher visibility traffic areas, yet they have a lower assessment than the subject. Further the 2012 assessment for the comparables have an average of \$17.91 psf and a median of \$18.36 psf which is higher than the subject.

[8] Based on the analysis of the comparables the Complainant argues that the market does not support the subject's assessment at \$19.25 psf. To be reflective of market value the assessment should be \$17.91 psf.

Respondent

[9] The Respondent presented on page 8 of Exhibit R-1 a table titled City of Calgary Sales Comparables for NE for Land Only parcels. All of the sales were for parcels under 3.35 acres. The Time Adjusted Sale Price psf for the 9 comparables was \$20.06 compared to \$19.25 psf for the subject.

[10] The Respondent's presented in a table titled City of Calgary Equity Comparables (page 32 of Exhibit R-1) an analysis of 6 equity comparables, all with an I-G zoning, a corner lot influence and located in the NE quadrant, which is the same quadrant as the subject property. As the comparable at 2647 7 AV NE was repeated the review by the Board was completed using 5 comparables. The median adjusted assessed value per acre for the comparables is \$797,830 compared to the subject at \$798,583.

[11] In respect of the Complainant's comparables the Respondent challenged the quality of 3 of 4 the comparables:

- 2652 3 Av SE has a I-B zoning, a positive corner influence of a +5% and a negative shape influence of a -25% which impacts on the adjusted assessment value;
- 2710 5 Av NE is a September 2011 transaction, a *post facto* transaction;
- 3810 12 St NE was reported as a June 2011 transaction, however the June 2011 was a conditional transaction which did not close and was subsequently resold in October 2011 as part of a portfolio sale.

[12] In summary the Respondent argued that Respondent's equity comparables support the assessment.

Board Findings

[13] The Board finds that the Complainant's comparables are inadequate as there were issues with 3 of the 4 comparables and not supportive of the requested assessment. The Respondent's sales and equity comparables which consider region, land use designation and

the corner influence support the assessment.

Board's Decision:

[14] Based on the evidence presented to the Board the assessment is confirmed at \$2,300,000.

DATED AT THE CITY OF CALGARY THIS 11th DAY OF September 2012.



Earl K Williams
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.*

FOR ADMINISTRATIVE USE

Appeal Type	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Other Property	Vacant Land	Influences	

