

**COMPOSITE
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 (MGA).

between:

***Blue Bungalow Holdings Ltd.*
COMPLAINANT**

and

**The City Of Calgary,
RESPONDENT**

before:

**C. J. Griffin, PRESIDING OFFICER
J. Massey, MEMBER
Y. Nesry, MEMBER**

This is a complaint to the Composite Assessment Review Board (CARB) 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: 201256856

LOCATION ADDRESS: 1812 – 14A Street SW

HEARING NUMBER: 65612

ASSESSMENT: \$522,000.

This complaint was heard on 12th day of July, 2012 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- R. Gendron

Appeared on behalf of the Respondent:

- L. Wong

Property Description:

[1] According to the *Property Assessment Detail Report* (Exhibit R-1 pg. 7), the subject property is categorized as being a CS0610 Condo - Office with an **A2** quality rating. The property is 2,009 Sq. Ft. in size. The Year of Construction (YOC) is **not** recorded. The underlying site is reported as being 0.09 acres in size. The property has been valued, for assessment purposes, through application of the Direct Comparison (Sales) Approach.

Issues:

[2] The issues before the CARB are that the assessed value is too high.

Complainant's Requested Value: \$472,000.

Party Positions:**Complainant's Position**

[3] The Complainant provided a brief history of the property, an office condominium unit, which he purchased, out of foreclosure, in March 2011 for \$470,000. As a matter of accuracy the Complainant is of the opinion that the assessed value of the subject property is too high and it should be closer to the purchase price. Accordingly the Complainant produced (Exhibit C-1 pgs. 13 -41) Multiple Listing Service (MLS) sales sheets relating to 26 property sales which the Complainant deems similar. The Complainant's request for a reduction in the assessed value is based upon this information.

Respondent's Position

[4] The Respondent explained to the CARB that the subject property had originally been residential in use but has now been converted for commercial office use. The Respondent went on to explain to the CARB that the Assessment Business Unit (ABU) does not use foreclosure sales in their sales analysis as same are not truly reflective of market value. The Respondent pointed out to the CARB that the sales information provided by the Complainant is largely post-facto to the valuation period, consists, primarily, of foreclosed properties and many of the data sheets relate to property listings that have not yet sold and/or have expired. The Respondent provided (Exhibit R-1 pgs. 35 – 40) sales data related to four properties deemed similar to the subject and, based upon this information requested the CARB to confirm the assessment.

Board's Decision:

[5] The assessment is **confirmed at: \$522,000.**

Decision Reasons:

[6] The Complainant acknowledged that he understood the Assessor's brief and that it made complete sense to him now knowing that foreclosed sales are not considered valid sales for assessment analysis purposes and effectively conceded his position.

[7] This case appears to be an example of poor communication between the ratepayer and the Assessor. While the CARB is not assigning blame for this situation we are concerned that a

Hearing was held that, largely, proved to be unnecessary, as once the Complainant understood the Assessor's position and the fact that foreclosed sales are not considered in the analysis, he essentially conceded his position.

DATED AT THE CITY OF CALGARY THIS 2 DAY OF AUGUST 2012.



C. J. Griffin,
Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	Respondent's 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 MGB Administrative Use Only

Decision No.1107-2012-P			Roll No 201256856	
<u>Subject</u>	<u>Type</u>	<u>Issue</u>	<u>Detail</u>	<u>Issue</u>
CARB	Office Condo	Market Value	Sales Evidence	Foreclosed Sales