



Complaint ID 0262 1665
Roll No. 30003310020

COMPOSITE ASSESSMENT REVIEW BOARD DECISION
HEARING DATE: June 21st, 2022

PRESIDING OFFICER: M. OBERG
BOARD MEMBER: R. BROWN
BOARD MEMBER: D. WIELINGA

BETWEEN:

333247 ALBERTA LTD
as represented by Altus Group Limited

Complainant

-and-

THE CITY OF RED DEER

Respondent

This decision pertains to a complaint submitted to the Central Alberta Regional Assessment Review Board in respect of a property assessment prepared by an Assessor of The City of Red deer as follows:

ROLL NUMBER: 30003310020
MUNICIPAL ADDRESS: 7905 – 50th Ave.
ASSESSMENT AMOUNT: \$1,414,500

The complaint was heard by the Composite Assessment Review Board on the Twenty First day of June, 2022 via video conference.

Appeared on behalf of the Complainant: Brent Foden, Altus Group Limited

Appeared on behalf of the Respondent: Tyler Johnson, City of Red Deer

DECISION: The assessed value of the subject property is changed to \$1,250,000.

JURISDICTION

- [1] The Central Alberta Regional Assessment Review Board [“the Board”] has been established in accordance with section 455 of the *Municipal Government Act*, RSA 2000, c M-26 [“MGA”].

PROPERTY DESCRIPTION AND BACKGROUND

- [2] The subject property (“subject”) is 1.25 acres of vacant land, having no improvements. The subject was assessed at \$1,414,500 on July 1st, 2021, using the Direct Comparison (Sales) Approach.
- [3] There was no change to the subject property on the Condition Date of December 31st, 2021.
- [4] The subject property is in the Gaetz North Land Rate Zone. It is in the C4 zoning and is categorized as being a corner lot with major exposure to Gaetz Ave., a major transportation route in Red Deer.

PRELIMINARY MATTERS

- [5] The Presiding Officer confirmed that no Board Member raised any conflicts of interest regarding the matters before them.
- [6] Neither party raised any objection to the panel hearing the complaint.

Surrebuttal Document

- [7] The Respondent requested that a surrebuttal document, which was sent via email from the Assessor to the Board Clerk and the Complainant the morning of the hearing, be allowed to be entered into the record as evidence.
- [8] The Complainant stated that this should not be allowed, because it would not be in line with the *Matters Relating to Assessment Complaints Regulation* (“MRAC”) or with the principals of procedural fairness. The Complainant argued that during surrebuttal there should be no new evidence or argument presented.
- [9] The Board decided that it would not admit the surrebuttal document into the record as evidence because there was not adequate time to review the document. Verbal surrebuttal would be allowed, provided that no new evidence or argument was presented.
- [10] MRAC s.9 (c) supports the decision of the Board regarding the permitting of a surrebuttal document to be presented:

“the complainant must, at least 7 days before the hearing date, disclose to the respondent and the composite assessment review board the documentary evidence, a summary of the testimonial evidence, including a signed witness report for each witness, and any written argument that the complainant intends to present at the hearing in rebuttal to the disclosure made under clause (b) in sufficient detail to allow the respondent to respond to or rebut the evidence at the hearing.”
(emphasis added)

- [11] Section 9 of *MRAC* provides specific disclosure timelines for the Complainant's disclosure document, the Respondent's disclosure document, and the Complainant's rebuttal document. It does not, however, provide a timeline for a surrebuttal document. The Board interprets this absence to mean that a surrebuttal document was not intended, otherwise a disclosure timeline would have been provided. The *Regulation* indicates that a surrebuttal presentation should be verbal only.

Missing Document

- [12] It was discovered that the C.4 document, being a rebuttal document which focuses on the principals of assessment, was provided from the Complainant to the Respondent and the Board in accordance with the timelines provided in *MRAC*. C.4 was updated at the onset of the hearings and was accordingly entered into the record as evidence.
- [13] No additional preliminary or procedural matters were raised by any party. Both parties indicated that they were prepared to proceed with the complaint.

ISSUE

- [14] Is the assessment of the subject fair and equitable when sales of similar properties are considered?

POSITION OF THE PARTIES

Position of the Complainant

- [15] The position of the Complainant is the assessment of the subject is greater than its market value, and that many comparable properties, some having operating businesses have been sold for less than the subject assessment, and as such, requests a reduction of the assessment to \$1,250,000 or one million dollars per acre.
- [16] The Complainant's disclosure document C1 (173 pages total) includes a one page document titled "ARB Grounds for Complaints". This document includes a "preliminary requested assessment" of \$1,190,000, which is a different assessment value than was requested in the hearing. The hearing assessment amount requested, and the assessment requested elsewhere in the Complainant's submission was \$1,250,000. There were, however, issues itemized that were not addressed in the remainder of the Complainant's document C1, C2, C3, C4, or C5. These issues include: a "decline in the market value" of the subject caused by COVID 19 pandemic; an "aggregate assessment" of the subject which does not reflect market value, and should be no more than an aggregate of \$50,000 per acre; and the adjustments applied to the land value are incorrect and inequitable due to topography, rights-of-way influences, inability to sub-divide, encumbrances, shape, access, level of site servicing and or other influences.
- [17] The Complainant indicated that the subject's assessed land rate of \$1,131,600 per acre is overstated and should be revised to a more reasonable estimate of Market Value of \$1,000,000 per acre.
- [18] The Complainant indicated that the subject has been for sale for 2 to 3 years with a list price of \$1,400,000. The property has had significant exposure to the open market and there has been no interest whatsoever from potential purchasers or tenants. According to the Complainant this demonstrates the property is worth less than \$1,400,000.

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- [19] The Complainant indicated that the property has been cleared on any improvements and the property is totally vacant land.
- [20] In support of a reduction in the assessment of the subject, the Complainant presented the sales of five properties in the City and current sales listings for two additional properties. All the properties have C4 zoning.
- i. Sale #1 3310 50 Ave – This property has an assessment of \$16,490,000 (2021 \$16,500,000), a sale price of \$16,150,000 (Oct 9, 2020), a land size of 10.33 acres, and is located in the Gaetz South area. The sale price per acre is \$1,563,408. An operating hotel is onsite with the following improvements: a convention centre, bar, lounge, restaurant and liquor store.
 - ii. Sale #2 7414 50 Ave – This property has an assessment of \$7,152,100 (2021 \$3,933,100), a sale price of \$1,000,000 (Feb 1, 2021), a land size of 3.5 acres, and is located in the Gaetz North area. The sale price per acre is \$285,714. The sale included a building which has since been demolished.
 - iii. Sale #3 4960 81 Street – This property has an assessment of \$2,968,300 (2021 unknown), a sale price of \$2,300,000 (Oct 26, 2021), a land size of 1.85 acres, and is located in the Gaetz North area. The sale price per acre is \$1,243,243. A vacant building, assessed on the income approach to value, is onsite.
 - iv. Sale #4 7899 50 Ave – This property has an assessment of \$1,795,400 (2021 \$1,681,400), a sale price of \$1,850,000 (Oct 15, 2020), a land size of 1.75 acres, and is located in the Gaetz North area. The sale price per acre is \$1,057,143. This property is across the street from the subject. A building with a lease tenant is onsite.
 - v. Sale #5 6845 66 Street – This property has an assessment of \$5,853,000 (2021 unknown), a sale price of \$1,500,000 (Oct 31, 2020), a land size of 1.5 acres, and is located in the 67 West area. The sale price per acre is \$1,000,000. This property is vacant.
 - vi. Listing #1 7905 50 Ave – This property has an assessment of \$1,414,500 (2021 unknown), a listing price of \$1,400,000, a land size of 1.25 acres, and is located in the Gaetz North area. The listing price per acre is \$1,120,000.
 - vii. Listing #2 1123763;1;6 – This property has an assessment of \$1,414,500 (2021 unknown), a listing price of \$2,155,500, a land size of 4.79 acres, and is located in the Queens/West Red Deer area. The listing price per acre is \$450,000.
- [21] The Complainant stated that the best indicator of value, being a “land only” property similar to the subject, is Sale #5 at 6845 66 Street, which has a sale price per acre of \$1,000,000.
- [22] The Complainant stated that over the past couple of years there have been few new sales with which to justify adjustments to assessments in the City. According to the Complainant, assessments have been increasing annually, and this increase is not justified.

- [23] The Complainant presented the assessment details for the above property at 7899 50 Ave. This property is assessed at \$1,795,400, which is \$1,025,942 per acre. The Complainant argues that this equity comparable supports an alternate requested assessment
- [24] In conclusion the Complainant requested that the Board reduce the 2021 assessment of the subject from \$1,414,500 to \$1,250,000, being \$1,000,000 per acre. Alternately, the Complainant requested that the Board reduce the 2021 assessment of the subject, based on the equity comparable, from \$1,414,500 to \$1,282,428, being \$1,025,942 per acre.

Position of the Respondent

- [25] The Respondent began their presentation with a description of the subject, and noted influence adjustments had been made for major exposure and being a corner lot.
- [26] The Respondent reviewed the principles of property valuation methodology, particularly that for a land-only property the direct comparison approach to value is used, and that market value is the amount that would be paid for a property on the open market by a willing buyer to a willing seller.
- [27] The Respondent provided a critique of the Complainant's sales and listings comparables, stating that the Complainant's comparables themselves are very low and are under assessed.
- [28] Along with this overall critique, the Respondent provided the following:
- i. Sale #1 3310 50 Ave – This property is the site of the Cambridge Hotel, which is assessed using the income approach to value. It is not appropriate to take the total assessment of a property and divide it by the number of acres to calculate what the assessment per acre is. This ignores the value of the improvements.
 - ii. Sale #2 7414 50 Ave – The City found that this sale was not reliable due to a number of issues: the required cleanup of contaminants on site; the withholding of information regarding the cleanup, including the costs thereof; and the Request for Information (RFI), which indicated a large cost for the cleanup, but without estimated costs. As well, given that the price per acre of the sale, being less than 1/3 of other similar properties, makes Sale #2 an outlier and not reliable for valuing other properties.
 - iii. Sale #3 4960 81 Street – Similar to Sale #1, this property is the site of a vacant furniture store, which is assessed using the income approach to value.
 - iv. Sale #4 7899 50 Ave – Similar to Sale #1, this property is the site of a rental outlet facility, which has a tenant whose lease doesn't expire till December 2024, and which is assessed using the income approach to value.
 - v. Sale #5 6845 66 Street – Proper adjustments would have to be made before this property could be considered to be similar to the subject. Particularly, the higher valued area (67 West area) compared with the subject (Gaetz North area) would have to be adjusted. However, Sale #5 has only a minor exposure of 20% compared with the subject's adjustments at 50%. With these adjustments taken into account, Sale #5 would be a good comparable.

- vi. Listing #1 7905 50 Ave – This property had buildings on site, but they were removed, leaving a bare lot. Evidence shows that this listing has been in place for 2-3 years. It is assessed as vacant commercial, having an assessed value of \$1,414,500 (\$1,131,600 per acre). This property is the subject.
- vii. Listing #2 1123763;1;6 – This property is owned by the City, and because of the different motivations of a municipality as opposed to a private owner, the Respondent considers this property to be an unreliable indicator of value for other properties.

[29] In support of the assessment, the Respondent presented eight market comparables and three listings. These properties all have C4 zoning.

- i. Sale #1 6845 66 Street – This property has an assessed land value of \$1,490,400, a sale price of \$1,500,000 (Jun 14, 2021), a land size of 1.5 acres, and is located in the 67 West area. The sale price per acre was \$1,000,000. The influence adjustments for this property are +20% (subject +50%), the diminishing return adjustment is -20% (subject -20%), and the assessment to sales ratio (“ASR”) is 99.36%. This sale was also used as a comparable by the Complainant.
- ii. Sale #2 6843 66 Street – This property has an assessed land value of \$1,490,400, a sale price of \$1,500,000 (Nov 6, 2020), a land size of 1.5 acres, and is located in the 67 West area. The sale price per acre was \$1,000,000. The influence adjustments for this property are +20% (subject +50%), the diminishing return adjustment is -20% (subject -20%), and the ASR is 99.36%
- iii. Sale #3 6790 50 Ave – This property has an assessed land value of \$987,280, a sale price of \$985,000 (Apr 30, 2021), a land size of 0.9 acres, and is located in the Gaetz North area. The sale price per acre was \$1,094,444. The influence adjustments for this property are +40% (subject +50%), the diminishing return adjustment is -10% (subject -20%), and the ASR is 100.23%. This property was sold with a 6,300 sq/ft building, which was subsequently demolished before the Condition Date (December 31, 2021), down to the cement pad and steel structure, and then rebuilt.
- iv. Sale #4 1840 49 Ave – This property has an assessed land value of \$2,141,100, a sale price of \$2,700,000 (Jun 13, 2018), a land size of 1.5 acres, and is located in the Westerner area. The sale price per acre was \$1,800,000. The influence adjustments for this property are +30% (subject +50), the diminishing return adjustment is -20% (subject -20%), and the ASR is 79.30.
- v. Sale #5 3113 49 Ave – This property has an assessed land value of \$950,380, a sale price of \$946,980 (Mar 2, 2020), a land size of 0.81 acres, and is located in the Gaetz South area. The sale price per acre was \$1,169,111. The influence adjustments for this property are 0% (subject +50%), the diminishing return adjustment is -10% (subject -20%), and the ASR is 100.36%.
- vi. Sale #6 2810 50 Ave – This property has an assessed land value of \$7,503,366, a sale price of \$7,800,000 (Mar 8, 2021), a land size of 5.83 acres, and is located in the Gaetz South area. The sale price per acre was \$1,337,907. The influence adjustments for this property are +30% (subject +50%), the diminishing return adjustment is -30% (subject -20%), and the ASR is 96.20%.

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- vii. Sale #7 3115 50 Ave – This property has an assessed land value of \$4,256,580, a sale price of \$6,944,520 (Mar 2, 2020), a land size of 2.72 acres, and is located in the Gaetz South area. The sale price per acre was \$2,553,132. The influence adjustments for this property are +50% (subject +50%), the diminishing return adjustment is -20% (subject -20%), and the ASR is 61.29%.
- viii. Sale #8 2404 50 Ave – This property has an assessed land value of \$1,115,324, a sale price of \$1,300,000 (Aug 5, 2020), a land size of 0.67 acres, and is located in the Gaetz South area. The sale price per acre was \$1,940,299. The influence adjustments for this property are +40% (subject +50%), the diminishing return adjustment is -10% (subject -20%), and the ASR is 85.79%. This property previously had an animal clinic on site, which was subsequently torn down before the condition date, and replaced with another building.
- ix. Listing #1 7860 50 Ave – This property has an assessed land value of \$1,761,032, a listing price of \$1,900,000 (expired), a land size of 1.73 acres, and is located in the Gaetz North area. The listing price per acre was \$1,098,266. The influence adjustments for this property are +40% (subject +50%), the diminishing return adjustment is -20% (subject -20%), and the ASR is 92.69%.
- x. Listing #2 7905 50 Ave – This property has an assessed land value of \$1,414,500, a listing price of \$1,400,000 (active), a land size of 1.25 acres, and is located in the Gaetz North area. The listing price per acre is \$1,592,754. The influence adjustments for this property are +50% (subject +50%), the diminishing return adjustment is -20% (subject -20%), and the ASR is 101.04%.
- xi. Listing #3 7171 50 Ave – This property has an assessed land value of \$825,330, a listing price of \$1,099,000 (active), a land size of 0.69 acres, and is located in the Gaetz North area. The listing price per acre is \$1,592,754. The influence adjustments for this property are +50% (subject +50%), the diminishing return adjustment is -10% (subject -20%), and the ASR is 75.10%.
- [30] The Respondent stated that the equity comparable located on 7899 50 Ave is not comparable to the subject because it is assessed using the Income Approach to value, while the subject is assessed using the Direct Comparison Approach to value.
- [31] During questioning the Respondent was asked if a new assessment model is being utilized. Their response was that there is not an overall change to the model, but there is more standardization now, making better use of adjustment factors.
- [32] During questioning the Respondent was asked how the various adjustment percentages were arrived at. They stated that adjustments for corner lots and restricted access were old rates. Exposure adjustments are derived from sales data.
- [33] During questioning the Respondent was asked how C4 and C5 zoning affect development. They explained that C4 zoning is intended for commercial properties primarily along Gaetz Avenue. C5 zoning only affects the east side of the City and is primarily for apartments with amenities to support them.
- [34] In conclusion the Respondent requested the Board confirm the 2021 assessment of the subject at \$1,414,500.

Complainant Rebuttal

[35] Much of the Complainant's evidence and argument was in regard to the processes used by the City to evaluate properties in order to assess them. Their criticisms included the following:

- i. *"...the model ... is not based on reliable sales information, and certainly not based on sufficient data";*
- ii. *"the creation of this model this year, has resulted in massive increases to assessments year-over-year, despite what appears to be no additional sales available to the City...";*
- iii. *"...listings should not be used in developing an assessment model or in supporting the assessed values ...";*
- iv. *"...The City has ignored sales which generally don't fit in the narrow confines of their model ...";*
- v. *"Generally speaking, The City has relied upon sales which do not meet the definition of Market Value.";* and
- vi. the absence of data to support the "gut feel" aspect of assessment is concerning.

[36] The Complainant provided a critique of the Respondent's sales and listings comparables as follows:

- i. Sale #3 6790 50 Ave – The property listing for this sale included a building, and the property should have been assessed accordingly, and not as land only. At least the cement pad and steel frame structure, which were retained, should have been assessed with the land value. That being said, this property is located in the Gaetz North area, as is the subject. Having a sale price of \$985,000, which is \$1,094,444 per acre, this property, which included the value of the cement pad and frame structure, supports the requested value of \$1,000,000 per acre.
- ii. Sale #4 1840 49 Ave – This property is included in a sale of four separate properties, including a sale and leaseback with the vendor. As well, this is an older sale, and needs adjustment for time.
- iii. Sale #5 3113 49 Ave & Sale #7 3115 50 Ave – This is one sale which applied to two legal properties. The ASR on the 50 Ave property is 66%, which is not reflective of a typical market value transaction. There was no marketing done, and the sale value was above market value.
- iv. Sale #6 2810 50 Ave – This sale was an "off-market" transaction. A sales ARFI (request for information), which would have helped to understand the transaction, was not presented in evidence.
- v. Sale #8 2404 50 Ave – This property was purchased by the owner of the next door property. The neighbor of a property always has a greater value in use than a buyer on the open market. As well, a land assembly was involved. Further, an operating veterinarian clinic was on site prior to the sale, but the City did not value the improvement and instead used only land value to assess the property.

[37] In conclusion, the Complainant requested that the Board reduce the 2021 assessment of the subject from \$1,414,500 to \$1,250,000, being \$1,000,000 per acre. Alternately, the Complainant requested that the Board reduce the 2021 assessment of the subject, based on the equity comparable, from \$1,414,500 to \$1,282,428, being \$1,025,942 per acre.

Respondent Surrebuttal

[38] In response to the Complainant's rebuttal, the Respondent stated the following:

- a. The sale of the property at 2810 50 Ave (Sale #6) was a "city sale", which was signed and listed, and was under lease to the owner of the neighboring property. However, that person did not purchase the property.
- b. The veterinarian clinic which was at 2404 50 Ave (Sale #8) was demolished at the end of 2021, before the Condition Date of December 31.
- c. We do not know how the marketing was done for Sale #5, however, because of the sophistication of the purchaser, it is not likely that the sale would not be market value.
- d. During questioning the Respondent was asked if the information provided regarding Sale #6 was hearsay evidence. The Respondent stated that technically speaking, the evidence is hearsay, since no written evidence is available for the hearing. However, the Assessor explained that much of the information that is gathered regarding sales is often acquired through telephone calls with the vendor, and that was the case for this sale.
- e. During questioning the Respondent was asked how the City decided on the percentage values of the various adjustment factors. The Respondent stated that they were done through current sales and traffic counts, and that individual sales can conflict with the process. There have not been many sales to work with lately. Because of a lack of paired sales, most of the work is subjective, using a combination of historic information and "gut". The Respondent stated that a lot of old records are missing, and that the forming of adjustment factors is a manual process.
- f. During questioning the Respondent was asked if there was a significant COVID effect regarding the assessment of the subject. The Respondent stated that there was not a significant effect for land assessments, because land sales typically have slower responses to situations like a pandemic. As well, most of the sales comparables provided took place after the first wave of COVID-19.

[39] The Respondent argued that the assessment process has passed the Provincial audit, and that this is proof that assessments are conducted properly by the City.

[40] In conclusion, the Respondent requested the Board to confirm the 2021 assessment of the subject at \$1,414,500.

BOARD FINDINGS and DECISION

[41] The Board carefully considered the evidence and argument of both parties in determining the issues before the Board.

[42] The Board finds that the issues itemized in the one-page document titled "ARB Grounds for Complaint" are not pertinent to the appeal of the subject's assessment because they were

preliminary. Clearly, the issues and the information regarding the appeal developed and changed over time. Therefore, the Board focused its attention on the remaining pages of the Complainant's five disclosure documents, and on the arguments and statements made during the hearing.

- [43] Considerable time was spent by the Complainant criticizing the City's methodology and processes for assessing properties, and by the Respondent defending them. This topic is naturally pertinent to the matter the Board must decide, being the assessed value of the subject. However, the Board finds that it is not knowledgeable or experienced enough, neither does it have the legal mandate required, to change the existing system that is in place. If the City's assessment methodology and/or processes are flawed, then the Provincial audit system is intended to find these problems and provide remedies.
- [44] The Board put little weight on the property listings provided by both the Complainant and the Respondent. Though property listings can provide additional information on market conditions, this information should be used only as a support to the findings derived from market value sales. The Board is mandated to use comparable sales which reflect market value, being the sale of properties from willing buyers to willing sellers. Property listings only provide one side of a sales transaction, the value requested by a willing seller.
- [45] The Board considered the five sale comparables provided by the Complainant:
- i. Sale #1 3310 50 Ave – The Complainant has taken a functioning hotel property, which was assessed using the income approach to value, and has divided the land area by the sale price in order to produce a value per acre. For land values, the direct comparison approach to value is used, not the income approach. The Board puts no weight on this comparable.
 - ii. Sale #2 7414 50 Ave – Because of issues regarding this sale, being the required cleanup of contaminants and the low price per acre of the sale in comparison with its assessed value, which indicates that the sale is an outlier in the market, the Board puts no weight on this comparable.
 - iii. Sale #3 4960 81 Street – The Transfer Date of this sale took place on October 26, 2021, which makes it post facto in regard to the Valuation Date of July 1, 2021. As with Sale #1, this property has an existing building on site, and has been assessed using the income approach. Simply dividing the sale price by the land area to produce a per acre land value is not appropriate, and the Board puts no weight on this comparable.
 - iv. Sale #4 7899 50 Ave – Also similar to Sale #1, this property has an existing building on site, and has been assessed using the income approach. Dividing the sale price by the land area to produce a per acre land value is not appropriate. The Board puts no weight on this comparable.
 - v. Sale #5 6845 66 Street – An upward adjustment would be needed to account for the difference in exposure (comparable 20%, subject %50%), and a downward adjustment would be needed to account for the lower value of the subject due to its location in the Gaetz North area as opposed to the comparable's location in the 67 West area. This geographic adjustment is supported by the different base rates that are used for different locations in the City. With these adjustments, this comparable supports the existing assessment, and the Board puts much weight on this comparable.
- [46] The Board considered the eight sale comparables provided by the Respondent:

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- i. Sale #1 6845 66 Street – This comparable was also used by the Complainant (Sale #5). With the above adjustments, this comparable supports the assessment. The Board puts much weight on this comparable.
 - ii. Sale #2 6843 66 Street – This comparable is adjacent to Sale #1, and the two comparables are virtually identical. With the same adjustments used for Sale #1, this comparable supports the assessment. The Board puts much weight on this comparable.
 - iii. Sale #3 6790 50 Ave – While it is arguable that the concrete pad and steel structure had value that could have been assessed, the value of these structures is unknown. This comparable is located in the North Gaetz area, as is the subject.. Though the value of the concrete and steel structure is unknown, it would have had some value since it was used in the construction of the new building. Taking this into account, the sale price supports a reduction. The Board puts much weight on this comparable.
 - iv. Sale #4 1840 49 Ave – This was an older sale among the comparables. Also, because this sale had unusual circumstances, including a multi-property sale and a leaseback with the vendor, the Board puts no weight on this comparable.
 - v. Sale #5 3113 49 Ave and Sale #7 3115 50 Ave – There were unusual aspects to the multi-parcel sale of these two comparables: there is evidence indicating that the indication of the sale was not an open market transaction, and the sale price of the 50 Ave property was 163% of its assessed value. For these reasons, the Board puts no weight on these comparables.
 - vi. Sale #6 2810 50 Ave – Though there is no information available regarding this sale, there is no indication that the sale was not at market value. With the appropriate adjustments being applied, this comparable supports the subject assessment. However, because of the lack of sales information, the Board puts little weight on this comparable.
 - vii. Sale #8 2404 50 Ave – There were unusual aspects to this sale. The owner of the adjacent property purchased this property. A property is worth more to the next door neighbor than to the buying public in general because of the added benefits of owning adjacent properties (e.g. the ability to combine the properties into a single larger parcel). As well, the sale was part of a land assembly. That being said, with upward adjustments of the influence adjustments and the diminishing return adjustment, the sale price per acre supports the subject’s assessment. Because of the above unusual aspects of the sale, the Board puts little weight on this comparable.

[47] The Board puts the most weight on the following sales comparables presented by both parties:

- i. 6790 50 Ave – Considering that there would have been value in the concrete and steel that were used to build a new building, this sale supports a reduction.
- ii. 3113 49 Ave – This property is a vacant lot, as is the subject. With adjustments for being located in Gaetz South, this sale supports a reduction.

[48] The equity comparable located at 7899 50 Avenue was given no weight because it is assessed using a different approach to value.

- [49] The failed attempts to sell the subject at the assessed value was considered by the Board. Though a listing cannot be used to assess a property, a listing can provide insight into market trends and can support an assessment.
- [50] After considering the evidence and argument as presented by both parties, the Board finds that the assessed value of the subject is changed from \$1,414,500 to \$1,250,000.

DECISION SUMMARY

- [51] The Board finds that the assessed value of the subject is changed to \$1,250,000.
- [52] Dated at the Central Alberta Regional Assessment Review Board, in the city of Red Deer, in the Province of Alberta this 20th day of July, 2022 and signed by the Presiding Officer on behalf of all the panel members who agree that the content of this document adequately reflects the hearing, deliberations and decision of the Board.



Mark Oberg
Presiding Officer

If you wish to appeal this decision you must follow the procedure found in section 470 of the MGA which requires an application for judicial review to be filed and served not more than 60 days after the date of the decision. Additional information may also be found at www.albertacourts.ab.ca.

APPENDIX

Documents presented at the Hearing and considered by the Board.

NO.	ITEM
1. A.1	Hearing Materials provided by Clerk (52 pages)
2. C.1	Complainant submission (173 pages)
3. C.2	Complainant submission – Rebuttal – Part 1 of 2 (211 pages)
4. C.3	Complainant submission – Rebuttal – Part 2 of 2 (235 pages)
5. C.4	Complainant submission – Rebuttal – Principals of Assessment (33 pages)
6. C.5	Complainant submission – Rebuttal – Commercial Land Evidence Appendix (244 pages)
7. R.1	Respondent submission (19 pages)
8. R.2	Respondent submission – Multiple Rolls – Part 1 of 2 (105 pages)
9. R.3	Respondent submission – Multiple Rolls – Part 2 of 2 (59 pages)