

**CITY OF AIRDRIE
COMPOSITE ASSESSMENT REVIEW BOARD ORDER CARB 001-2025**

IN THE MATTER OF A COMPLAINT filed with the City of Airdrie Composite Assessment Review Board pursuant to Part 11 of the *Municipal Government Act*, c. M-26 RSA 2000 ("**MGA**").

BETWEEN:

Ryan ULC for Synergy Airdrie Retail Ltd Partnership c/o Synergy Properties Ltd
Complainant

AND:

CITY OF AIRDRIE
Respondent

BEFORE:

Brenda Hisey, Presiding Officer
David Keagan, Member
Simi Obasan, Member

Secretariat:
Nikki Parkinson, Assessment Review Board Clerk

This is the decision of the City of Airdrie Composite Assessment Review Board [**"Board"**] in respect of property assessments prepared by the Assessor of the City of Airdrie and entered in the 2025 assessment roll as follows:

Roll No.	Municipal Address	Assessed value	Owner
8200	804 Main St SE, Airdrie	\$5,219,000	Synergy Airdrie Retail Ltd Partnership c/o Synergy Properties Ltd

The complaint was heard on the 14th day of July, 2025, through a Teams meeting facilitated by the City of Airdrie.

BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT

[1] The property (subject) under appeal is a 1.68 acre commercial multi-tenant retail strip parcel. The building was constructed in 2006 and has 19,701 square feet (sf) of gross area. The subject has been leased to two tenants (FYI Doctors and London Drugs) and has 84 paved parking stalls with yard lighting and signage.

[2] The assessment was calculated using the income approach to value with a potential gross income of \$360,843, a net operating income of \$326,162 and a capitalization rate of 6.25%. The assessed value for the subject is \$265/sf.

PRELIMINARY or PROCEDURAL MATTERS

[3] The parties requested carry over information be made between the subject property and a second parcel in the portfolio sale (roll number 735400, located at 3 Stonegate Drive NW) also under appeal. The Board agreed with this request.

ISSUE

[4] Is the assessment reflective of market value when considering the sale of the subject property?

COMPLAINANT'S POSITION

[5] In support of a reduction to the assessment, the Complainant presented the recent sale of the subject for \$4,180,000 (\$212/sf) in February 2024. This market value transaction is less than the subject's assessment of \$5,219,000, which should be reduced to the sale price.

[6] The arms' length open market sale of the subject was described as part of a two-parcel portfolio transaction for \$22,350,000 with clear valuations assigned to both properties:

- roll number 8200 (the subject), 804 Main Street SE for \$4,180,000 and
- roll number 735400, 3 Stonegate Drive NW for \$18,170,000.

[7] The sale price for the subject was confirmed through an Affidavit re: Value of Land, sworn and registered at the Land Titles Office. The value was also reported by The Network – Real Estate Intelligence, a commercial sales data provider.

[8] In support of this position, the Complainant cited *697604 Alberta Ltd. v. Calgary (City of)*, 2005 AQBQ 512, where the court held that "a property's sale price is the best indicator of market value of that property."

[9] Additionally, a more recent court of appeal decision *Altus Group Ltd. v. Alberta (City of Edmonton Composite Assessment Review Board)*, 2023 ABCA 35 confirmed the obligation of municipalities to use mass appraisal techniques does not displace that goal of the assessment process: to establish market value. The sale of the subject should be reflective of market value.

[10] Several Composite Assessment Review Board and Municipal Government Board decisions were provided to support the position that the best indicator of market value is the sale of the subject itself.

RESPONDENT'S POSITION

[11] The current assessed value for the subject, determined in accordance with legislated mass appraisal standards with typical market data is reasonable, fair and equitable.

[12] To support the \$265/sf assessed value the Respondent provided eight sales of similar retail strip properties, noting the subject sold for the lowest value in that group.

[13] Based on the age of the building, quality and lease rates achieved, the subject was classified as Retail Strip (Multi-Tenant)/Average. From the three property sales from that group the year built ranged from 1984 to 2006; the subject was the newest building. These three properties sold for \$212/sf, \$255/sf and \$321/sf. The subject sold for the lowest value but was considered by the Respondent to be superior to the other two sales in this category.

[14] It was also noted that the current owner has the subject listed for sale at \$305/sf which is higher than the current assessment of \$255/sf. The Respondent suggested that the prime location just south of Towerlane Centre and across the street from the new Airdrie Public Library in the Airdrie Downtown Revitalization area, would affect the subjects' value.

[15] The Respondent critiqued the offering process from the sale of the subject. No price was set with the listing, instead the vendor responded to expressions of interest from various parties. This method could have affected the marketability and the eventual sale price of the two portfolio properties, which was at the bottom end of the range of values and should not be considered the sole indicator of market value. Additionally, oral evidence was provided that suggested the owner was looking to divest their holdings.

[16] During questioning, the Respondent acknowledged there was no written documentation to support a mandated disbursement of assets and confirmed the sale of the subject was considered a valid sale used in the municipalities assessment model.

REBUTTAL

[17] The Complainant argued that the comparable sales provided by the Respondent did not support the assessment. Of the three "average" sales the subject had the largest building size at 19,701 sf while the two comparables were 7,637 sf and 3,923 sf. Economies of scale must be considered with these properties.

DECISION

[18] The assessment is reduced to \$4,180,000.

REASONS

[19] The *Municipal Government Act*, RSA 2000, chapter M-26 section 1 (1)(n) defines market value as the price that would be paid for a property if it is sold in the open market by a willing seller to a willing buyer. Additionally, the *Matters Relating to Assessment and Taxation Regulation, 2018*, section 5 states that the assessment of property is based on market value.

[20] The subject sold for \$4,180,000 on February 21, 2024. The sale occurred less than 6 months from the valuation date that involved independent parties as vendor and purchaser for an arm's length, open market transaction. The sworn affidavit of value from Land Titles provides an accepted appropriation of the portfolio sale.

[21] The Board relies on the *697604 Alberta Ltd. v. Calgary (City of)*, 2005 ABQB 512 decision, where Justice Acton stated:

"I think generally speaking the recent sales price, if available as it was in this case, is in law and in common sense, the most realistic and most reliable method of establishing market value."

[22] The Board also relies on *Altus Group Ltd. V Alberta (City of Edmonton Composite Assessment Review Board)*, 2023 ABCA 35, which affirms that the principal goal of the assessment process is to determine an assessment reflective of market value. The obligation of municipalities to use mass appraisal techniques does not displace that ultimate goal of the assessment process: to establish market value, not average or typical value. While there may be a range of market values that could be justified, the aim is to determine market value for each property, not a range of values. The court went on to specify that where an actual timely sale of a property exists, then it is possible to set an exact market value.

[23] The Board finds the two "average" retail strip properties used as comparables were much smaller and there was no way to quantify the economies of scale.

[24] Several prior Composite Assessment Review Board decisions were provided by the Complainant to confirm that a recent sale of the subject is the most reliable indicator of market value.

[25] The Board finds the recent listing of the subject at a higher value to be inconsequential, as it occurred after the valuation date and represents an asking price, not a confirmed market transaction.

[26] The Board accepts the recent arm's length, open market transaction to be the best indication of market value for the subject property. Although part of a portfolio sale, the value of both parcels within the transaction were accepted by the municipality as valid and were used in their assessment model.

Dated at the City of Airdrie, in the Province of Alberta, this²¹ day of July , 2025.

Brenda Hisey

dSign powered by Signority

Brenda Hisey
Presiding Officer

This decision may be judicially reviewed by the Court of King's Bench pursuant to section 470(1) of the Municipal Government Act, RSA 2000, c. M-26.

APPENDIX "A"

DOCUMENTS RECEIVED AND CONSIDERED BY THE BOARD

NO.	ITEM
1. C-1	Complainant Disclosure – 328 pages
2. C-2	Complainant Rebuttal – 28 pages
3. R-1	Respondent Disclosure, Addenda, Legal Brief – 131 pages

APPENDIX “B”

ORAL REPRESENTATIONS

PERSON APPEARING	CAPACITY
1. Paul Chmeleski	Ryan ULC
2. Byron Henderson	City of Airdrie Assessor
3. Krista Paul	City of Airdrie Assessor
4. Val Cottreau	City of Airdrie Assessor

APPENDIX “C”

LEGISLATIVE AUTHORITIES CONSIDERED BY THE BOARD

1. *Municipal Government Act*, Revised Statutes of Alberta 2000, chapter M-26:
 - s 1(1)(n) “market value” means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer;
 - s 467(1) An assessment review board may, with respect to any matter referred to in section 460(5), make a change to an assessment roll or tax roll or decide that no change is required.
 - s 467(3) An assessment review board must not alter any assessment that is fair and equitable, taking into consideration
 - (a) the valuation and other standards set out in the regulations,
 - (b) the procedures set out in the regulations, and
 - (c) the assessments of similar property or businesses in the same municipality.
2. *Matters Relating to Assessment Complaints Regulation*, Alberta Regulation, 2018:
 - s 5 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.