

**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(4).

between:

Altus Group, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

T. Hudson, PRESIDING OFFICER

D. Julien, 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 2010 Assessment Roll as follows:

ROLL NUMBER: 100009109

LOCATION ADDRESS: 5755 11 ST SE

FILE NUMBER: 59752

ASSESSMENT: \$ 6,520,000

This complaint was heard on the 24th day of June, 2010 at the office of the Assessment Review Board located at 4th floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 1.

Appeared on behalf of the Complainant:

- *Randall Worthington* *Altus Group*

Appeared on behalf of the Respondent:

- *Rob Ford* *Assessor, City of Calgary*

PROPERTY DESCRIPTION:

The subject property is a single tenant industrial distribution warehouse constructed in 1973 on a 2.74 acre site in the Burns Industrial district of the Central Industrial Region. The building includes 71,253 sq ft of net rentable area including a mezzanine with 16% office finish. Site coverage is 43%. The current assessment is \$6,520,000 or \$90 psf rounded. The requested assessment is \$5,720,000 or \$80 psf rounded.

ISSUES/GROUNDS FOR COMPLAINT:

The Complainant alleges the amount of the assessment exceeds market value and is inequitable when compared to similar properties.

POSITION OF THE COMPLAINANT:

The Complainant prepared an estimate of market value for the subject using the income approach (ie, \$5,290,000); and the direct sales comparison approach (ie, \$6,120,000). Additionally, an equity analysis suggested an estimate of \$5,840,000. The requested assessment of \$5,720,000 represents the average of these three estimates.

RESPONDENT POSITION ON THE ISSUES:

The Respondent pointed out that the sales comparables presented by the Complainant actually support a market value assessment in the range of \$91 psf when corrected for errors. The lease comparables submitted by the Complainant are all from the Southeast and Northeast industrial regions while the subject property is from the Central industrial region. The equity comparables submitted by the Complainant with one exception have significantly higher site coverage than the subject property, a key component in valuation. The Respondent submitted six sales comparables in support of the assessment with an average of \$91 psf and a median of \$86 psf. The equity comparables submitted by the Respondent were all from the Central Region with an average assessment of \$83 psf for properties with significantly greater site coverage. The Respondent argued that all of the evidence supports the assessment.

BOARD FINDINGS:

The Board finds that the evidence of both parties suggests that no reduction in the assessment is warranted.

BOARD DECISION:

The assessment is confirmed at \$6,520,000.

REASONS:

On a balance of probabilities the sales evidence supports the assessment of the subject as reflective of market value. The equity evidence also supports the assessment.

DATED AT THE CITY OF CALGARY THIS 28th DAY OF JULY 2010.



T. Hudson
Presiding Officer

TH/mc

Cc: Owner

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.*