

**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:

Colliers International Realty Advisors, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***T. Helgeson, PRESIDING OFFICER
Alfredo Wong, MEMBER
Ray Clark, MEMBER***

This is a complaint to the Calgary Assessment Review Board in respect of Property assessment prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

| | |
|--------------------------|----------------------------------|
| ROLL NUMBER: | 148060908 |
| LOCATION ADDRESS: | 14505 Bannister Road S.E. |
| HEARING NUMBER: | 57445 |
| ASSESSMENT: | \$15,990,000 |

This complaint was heard on the 30th day of June, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- *C. Hartley*

Appeared on behalf of the Respondent:

- *A. Jerome, Assessor*

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

No procedural or jurisdictional matters were raised.

Property Description:

The subject property is a three-storey suburban office building, constructed in 2000, with an average floor plate of 21,500 square feet, and a total building area of 61,219 square feet. The subject has been assessed at a rent of \$21.00 per square foot. Currently, leases in the building range from \$16.50 to \$27.00 per square foot, for an average value of \$21.00 per square foot. The subject property was assessed at 18,110,000 for 2009, and at 15,990,000 for 2010, a reduction of 11.7%.

Issues:

1. Is the subject over-assessed in view of the softening of the rental market from 2008 to 2009?
2. Is the assessment of the subject fair and equitable?

Complainant's Requested Value: \$14,491,646

Board's Decision:

In support of the Complainant's case, a lease of 1,445 square feet in the subject property was cited. This lease commenced on October 13th, 2009, for a five year term commencing April 1st, 2010 at a rate of \$18.75/square foot. Also mentioned were two other leases, one in 40 Sunpark Plaza S.E., a building which the Complainant described as superior to the subject property that was signed on September 1st, 2009, at a rent of \$20.00/square foot. The other lease was at 239 Midpark Way, signed in May, 2009, at a rate of \$15.00/square foot. The Complainant requested a reduction in the assessed rent for the subject property from \$21/square foot to \$19.00/square foot. The Complainant did not dispute the capitalization rate used by the Assessor.


The Respondent submitted that the subject was classified as an A+ building, and provided seven A+ suburban office equity comparables located in the same market area as the subject, all of which had been assessed at a 2010 rental rate of \$21.00/square foot. The Respondent also submitted three Medical/Dental suburban office equity comparables, two of which are located on Sunpark Drive S.E., the other on Sunpark Plaza S.E., all of which are classified as A+ quality buildings, with assessed rental rates of \$21.00/square foot.

Also submitted were four leases at 1000 15 Sunpark Plaza S.E. that commenced in April 2009 at a rental of 26.50/square foot.

In deciding a complaint, sub-section 467(3) of the *Municipal Government Act* provides that: *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.*

In the Board's view, "fair and equitable" means that similar properties have been assessed at similar values. In this case, the Board finds that the subject property has been assessed fairly and equitably compared with the valuations of similar properties in the market area.

DATED AT THE CITY OF CALGARY THIS 4th DAY OF August 2010.


for **T. HELGESON**
Presiding Officer

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.*