

**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:

Assessment Advisory Group, *COMPLAINANT*

and

The City Of Calgary, RESPONDENT

before:

J. Noonan, *PRESIDING OFFICER*

Y. Nesry, *MEMBER*

C. McEwen, *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:	097012629
LOCATION ADDRESS:	6030 51 St SE
HEARING NUMBER:	58653
ASSESSMENT:	\$2,260,000.

This complaint was heard on the 3rd day of August, 2010 at the office of the Assessment Review Board located at the 3rd Floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- T. Howell, Commercial property Tax Agent, Assessment Advisory Group

Appeared on behalf of the Respondent:

- I. McDermott, I. Powell, Assessors, *The City of Calgary*

Property Description:

The subject is located at 6030 51 St SE, Calgary. It is a 10,794 sq.ft. warehouse with 28% office finish constructed in 1997 and sited on 1 acre of land in the Foothills Industrial area. The assessed value is \$2,260,000.

Issue:

Is the assessment in excess of fair market value?

Board's Findings in Respect of Each Matter or Issue:

The Complainant noted the subject assessment had increased from \$2,150,000 in 2009 in the face of a declining market. Three sales comparables were presented, and adjustments calculated for sale date, size, and year of construction in order to make these sales more comparable to the subject. The resulting average adjusted value of \$188 per sq.ft. was then applied to the subject in support of a requested reduced assessment of \$2,030,000.

The Respondent did not present an evidence package, it having gone astray, or was never prepared, but in any event not disclosed to the Complainant. The Respondent noted that there was no evidence or studies to support the various adjustments employed by the Complainant. As to the modest increase in year-over-year assessments, various features within the assessment model can change at different rates and impact the final value determination.

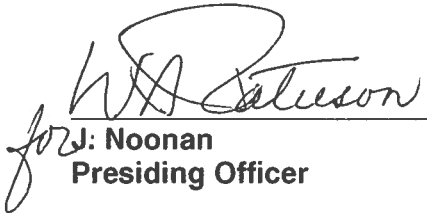
The CARB finds that while the industrial real estate market has suffered a decline from the previous year, as evidenced by the negative time adjustments for sales, it does not necessarily follow that every property declined by a like amount. That an assessment modestly increased is not necessarily indicative that it is wrong.

The Board would expect that an adjustment process applied to comparables would serve to narrow value differences, but here the Complainant's process has instead widened them to a range of \$168-\$219 per sq.ft from an unadjusted \$176-\$199. The Board found the first sale presented by the Complainant was very similar to the subject in size of improvement and land area. That property at 6503 30 St SE sold for an unadjusted price of \$198 per sq.ft. supportive of the subject's assessment at \$209 per sq.ft.

Board Decisions on the Issue:

The Board confirms the assessment of \$2,260,000.

DATED AT THE CITY OF CALGARY THIS 11 DAY OF August 2010.


for J. Noonan
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.*