

**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:**

***Steven C. Kashuba, PRESIDING OFFICER  
R. Deschaine, MEMBER  
R. Cochrane, 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: 112107909**

**LOCATION ADDRESS: 6912 Farrell Road SE**

**HEARING NUMBER: 57281**

**ASSESSMENT: \$2,260,000**

This complaint was heard on the 5th day of August, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 4.

Appeared on behalf of the Complainant:

- M. Uhryn and S. Meiklejohn

Appeared on behalf of the Respondent:

- J. Young
- 

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

No procedural or jurisdictional matters presented.

**Property Description:**

The subject property, located at 6912 Farrell Road SE, is an Industrial – General Zoned warehouse located in the Fairview Industrial Community. Constructed in 1961, the building has a rentable area of 17,919 square feet. The current assessment is \$2,260,000.

**Issues:**

1. Is the assessment value of the subject property supported by its market value?

**Complainant's Requested Value:** \$1,450,000

**Board's Decision in Respect of Each Matter or Issue:**

**Issue #1: Is the assessment value supported by the market value?**

**Position of Complainant**

The Complainant submitted that the subject property sold multiple times in recent years. The subject property transferred title on February 15, 2008 for the consideration of \$1,850,000 or \$103 per square foot. However, this transfer did not constitute an *arm's length transaction*.

The subject property also sold on November 27, 2009 for a consideration of \$1,450,000 or \$81 per square foot and is considered to be an *arm's length* valid sale.

In the opinion of the Complainant the subject property has been excessively assessed at a rate of \$126 per square foot. In support of their argument, the Complainant submitted four industrial-zoned properties of similar vintage, zoning, and size. These four sales have a time-adjusted sales range of \$114 to \$131 per square foot and a median of \$119 per square foot.

**Position of Respondent**

In support of the assessment the Respondent submitted an Assessment Explanation Supplement which shows that the subject property was built in 1961, is 17,919 square feet in area, is located in Central Calgary, has 8% finish, and is rated at \$126 per square foot for an assessment of \$2,260,000.

The Respondent presented seven equity comparables located in Central Calgary, and zoned I-G, Industrial General. As for the elements of comparability, the board notes that the subject property has 8% finish while the finish in the comparables ranges from 8% to 49%. The effective year of construction for the subject is 1961 while the comparables were constructed between the years of 1962 to 1975, all within the time frame of the subject property. The average assessment value per square foot for these comparables is \$138.

The Respondent submitted six industrial sales comparables in Central and SE Calgary where the average time-adjusted sale price is \$147 per square foot (Exhibit 1-R, page 22) while the assessment rate per square foot is \$126.28.

**Decision of board as regards Issue #1**

The board finds that the evidence provided by the Respondent is persuasive in that the sales occurred in the same sector of the City and support the assessment value of \$126 per square foot as do the equity comparables.

**Board's Decision:**

It is the decision of the board to confirm the assessment of the subject property for 2010 at \$2,260,000.

**Reasons:**

The board is persuaded by the sales and equity comparables presented by the Respondent wherein the assessment rate of \$126 per square foot is supported by equity comparables which reflect an average of \$138 per square foot and the sales comparables show an average of \$147 per square foot.

The board places little weight upon the Complainant's sales comparables because one sale constitutes a post-facto sale while another was an internal transfer and not sold at arm's length. Finally, the Complainant did not provide any equity comparables.

DATED AT THE CITY OF CALGARY THIS 24 DAY OF August 2010.

  
Steven C. Kashuba  
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.*