

**CALGARY
ASSESSMENT REVIEW BOARD
DECISION WITH REASONS**

In the matter of the complaint against the Property/Business 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:

P. Irwin, PRESIDING OFFICER

A. Blake, MEMBER

J. Joseph, MEMBER

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

| | |
|--------------------------|-------------------------|
| ROLL NUMBER: | 067872028 |
| LOCATION ADDRESS: | 100 534 17 AV SW |
| HEARING NUMBER: | 58509 |
| ASSESSMENT: | \$1,620,000 |

This complaint was heard on the 9th day of August, 2010 at the office of the Assessment Review Board located at Floor Number Four, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 1.

Appeared on behalf of the Complainant:

- *Kevin Bickford, representing The Altus Group*

Appeared on behalf of the Respondent:

- *Dale Grandbois*
- *Susan Bazin*

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

There were no objections to the composition of the Board.

There were no preliminary matters.

Property Description:

The subject property is a ground floor retail condo, known as the Ship & Anchor, with 4,338 SQ. FT. of rentable area, in a building located in the Beltline Community. Upstairs, there are three storeys of office space. The building quality was rated B- and the year of construction was 1979.

The subject assessment was based on the direct sales valuation approach. The assessed market value rate was set at \$375 per SQ. FT.

Issues/ Grounds for Complaint:

The complaint form listed 13 grounds for complaint. However, the issue came down to a basic one of equity, i.e., market value per SQ. FT.

Is the assessment of the subject property fair and equitable?

Complainant's Requested Value: \$1,301,400.

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

The Complainant's evidence package included Equity Comparables (a table, photos, street maps, and Assessment Summary Reports) on 14 retail condo properties. The table showed a median rate of ~\$245 per SQ. FT. and an average rate of ~\$265 per SQ. FT. As well, the Complainant's evidence package included Sales Comparables (a table, photos, maps, Alberta Data Search reports, and RealNet reports) on 8 retail condos. Two sales were for trending purposes only, as they were 2010 sales. The sales had a median rate of ~\$305 per SQ. FT. and an average rate of ~\$330 per SQ. FT.

The Respondent's evidence package showed 5 equity comparables with a median of \$330 per SQ. FT. and an average of \$315 per SQ. FT. The Respondent's evidence package included 2 sales comparables showing a mean of \$413 per SQ. FT. and a weighted mean of \$418 per SQ. FT. The

Respondent advised that, based on the proximity of the sales dates to the valuation date, no time adjustments were needed. Two post facto sales were also included, showing sale prices of \$472 and \$381 per SQ. FT. The respondent stated that all condos are assessed on a sales approach. Location is very important for retail condo space. The subject is located in a good retail district 17th Av SW is a premium corridor.

It was noted that the subject property was sold in 2007 for 10.54 MM and in 2009 for \$9.0 MM, (~\$399 per SQ. FT. and after taking parking out of the equation, left a value in the \$383 per SQ. FT. range). The Respondent stated that there had been a confirmation that the sale of the subject was at arm's length, although the Complainant questioned this.

The Board felt that the Respondent's evidence of two sales of the subject property and an ARFI indicating tenant rent for Ship and Anchor at \$45 per SQ. FT. easily supported the assessment at \$375 per SQ. FT. Further, the post facto sale of the Ric's Grill property (1426 – 8th St SW) at \$381 per SQ. FT. was the best comparable sale. The Board felt that the Complainant had not discharged its onus. The Complainant's evidence was not sufficiently compelling to allow the Board to alter the assessment.

On a final note, the Board identified a discrepancy in the area of the subject. Whereas the assessment was based on 4338 SQ. FT., the ARFI included a table showing the tenant paying rent on 5225 SQ. FT.

Board's Decision:

The assessment is confirmed at \$1,620,000.

DATED AT THE CITY OF CALGARY THIS 27th DAY OF August 2010.



P. Irwin
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.*