

**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.P. Acker, PRESIDING OFFICER

T. Usselman, MEMBER

D. Julien, 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:	092028703
LOCATION ADDRESS:	4112 16A Street S.E.
HEARING NUMBER:	58921
ASSESSMENT:	\$ 2,170,000

This complaint was heard on the 10th day of August, 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:

- *Mr. Troy Howell*

Appeared on behalf of the Respondent:

- *Mr. Don Kozak*

Property Description:

This warehouse property is sited on .60 acres of land zoned I-R improved with a single multi-tenant structure of 16,062 sq ft of leasable space constructed in 1979. The building has 18% office finish and covers 61.77% of the parcel area.

Issues:

The assessed value is in excess of market value.

Complainant's Requested Value: \$ 1,693,200

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

The Complainant noted that the year to year increase in assessment for the subject was 18.6% which appears to introduce a question of equity in a falling market. He provided a series of exterior photographs of the subject together with three comparable sales adjusted to bring them into greater similarity with the subject. These sales were adjusted between 5 and 15% to reflect the differences in land size and site coverage versus the subject. Upon review, the board found that two of the sales were portfolio sales – one of which was non arms length and the other post facto to the assessment date. The third, at 6912 Farrell Road S.E. was a post facto sale.

Neither of the parties had performed a site inspection on the subject, nor were there any interior photographs submitted into evidence.

The respondent provided 4 sales comparable supporting a time adjusted sale price per square foot of \$145.25. The subject property was assessed at \$135.45 per square foot. In addition, the respondent provided six single building equity comparables. The rate per square foot assessments ranged from \$131 to \$150 per square foot and the site sizes ranged from .82 ac to 1.06 ac versus the subject .60 ac lot. The site coverage percentages of the equity comparables ranged from 39% to 55% versus the subject at 62%. Office finish of the comparables ranged from 2% to 100% versus the subject's 18%.

The board considered the testimony of the parties, and found the complainant's evidence to be less persuasive insofar as all of the comparable sales were either post facto or portfolio sales which could not satisfy the requirement to reflect the market as of valuation date. The respondent's evidence was stronger insofar as the sales and equity comparables reflected similarity with the

subject and supported the assessment as rendered.
Accordingly, the board confirms the assessment at \$2,170,000.

Board's Decision:

The assessment is confirmed at \$2,170,000.

DATED AT THE CITY OF CALGARY THIS 18 DAY OF August, 2010.



J. P. Acker
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.*