

**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:**

***Linnell Taylor Assessment Strategies, COMPLAINANT***

**and**

***The City Of Calgary, RESPONDENT***

**before:**

***L. Wood, PRESIDING OFFICER***

***I. Zacharopoulos, MEMBER***

***D. Steele, 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: 075006601**

**LOCATION ADDRESS: 5025 23 AVENUE SE**

**HEARING NUMBER: 56614**

**ASSESSMENT: \$1,760,000**

This complaint was heard on 9th day of August, 2010 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- *Mr. J. David Sheridan*

Appeared on behalf of the Respondent:

- *Mr. Kelly Gardiner*
- *Mr. Jason Lepine*

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

There were no preliminary matters raised before the Board.

**Property Description:**

The subject property is an L-shaped single storey office/warehouse located on a .5 acre site in Forrest Lawn. The building has 11,951 sq ft of rentable area, constructed in 1977. It is a multi tenant warehouse that is owner occupied.

**Issues: (as indicated on the complaint form)**

1. Assessment is excessive. A 9.32% assessment increase in a declining market not substantiated. Market sales (DCA) adjusted where required, support a lower assessment for the subject.
2. Assessment is excessive. Income approach as per the DAAM, as a test of the DCA supports a lower assessment for the subject.

**Complainant's Requested Value:** \$1,200,000

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

The Board notes that there were several statements on the appendix to the complaint form; however it will only address those issues that were raised at the hearing.

**Assessment is excessive. A 9.32% assessment increase in a declining market not substantiated. Market sales (DCA) adjusted where required, support a lower assessment for the subject.**

The Complainant provided three sales comparables for the Board's consideration (Exhibit C1 page 9). The Board placed less weight on two of the comparables because they are not similar to the subject property in terms of location (NE quadrant) and size (31,000- 40,000 sq ft). The Respondent presented three sales comparables for the Board's consideration (Exhibit R1 page 25). The Board placed less weight on the comparable located at 8223 31 Street SE in terms of its size (7,700 sq ft)

in comparison to the subject.

The Board finds the sales comparables most similar to the subject property in terms of building and lot size, site coverage, year of construction and location were as follows:

- 4301 9 Street SE that sold in April, 2009 for \$1,727,500 (Exhibit C1 page 9);
- 6504 30 Street SE that sold in September, 2008 for \$1,727,500 (Exhibit R1 page 25);
- 7725 46 Street SE that sold in December, 2007 for \$2,350,000 (Exhibit R1 page 25);
- 5301 21A Avenue SE that sold in May, 2008 for \$1,100,000 (Exhibit C2 page 5; Exhibit R1, page 29).

The Board notes that the comparable at 5301 21A Avenue SE is located in the same community as the subject property (Forrest Lawn) and it was used in the City's model. It suggests that a discrepancy exists when comparing its TASP of \$114.73 to the subject property's assessment of \$147 psf (Exhibit C2 page 2). By taking the median of the four rates as presented by the parties (\$126, \$138, \$132 and \$115), the Board finds the median of \$129 psf is reasonable for the subject property.

**Assessment is excessive. Income approach as per the DAAM, as a test of the DCA supports a lower assessment for the subject.**

The Board placed less weight on the income approach as submitted by the Complainant because it contained subjective opinion evidence and it lacked the necessary market data to support the income parameters used by the Complainant (rent, capitalization rate etc.) (Exhibit C1 pages 4- 8).

**Board's Decision:**

The decision of the Board is to reduce the assessment for the subject property from \$1,760,000 to \$1,540,000 (truncated) for the 2010 assessment year.

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

  
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**Lana J. Wood**  
**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:*

- the complainant;*
- an assessed person, other than the complainant, who is affected by the decision;*
- 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.*