

**CALGARY
COMPOSITE 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:

Altus Group Ltd, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

Don H Marchand, PRESIDING OFFICER

Phil Pask, MEMBER

Bo Jerchel, MEMBER

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

ROLL NUMBER:	200228203
LOCATION ADDRESS:	2412 – 4th ST SW
LEGAL DESCRIPTION:	Plan 0214282; Block 1 – Multiple Legals
HEARING NUMBER:	59189
ASSESSMENT (2010):	\$5,350,000

This complaint was heard on 29 day of July, 2010 at the office of the Composite Assessment Review Board (CARB) located at 4th Floor, 1212 – 31 Avenue NE Calgary, Alberta.

Appeared on behalf of the Complainant; *Altus Group Ltd.:* *K. Fletcher*

Appeared on behalf of the Respondent; *City of Calgary:* *D. Satoor*
W. Wong, observing

Description and Background of the Property under Complaint:

The subject is identified with a sub-property use code CM0610 – Retail Condo. The land use designation is Commercial – Corridor 1. The 2008 strata titled property contains 16,233 square feet of A+ retail space known as the Mission Shoppers Drug Mart in the community of Mission.

Prior to the opening of the hearing the Complainant advised that only 3 of the 13 points filed as **Grounds for Appeal** within the subject's Assessment Review Board Complaint form under *Section 5 – Reason(s) for Complaint* would be argued at this hearing. They are as follows:

"> The assessed value should be reduced to the lower market value or equitable value based on numerous decisions of Canadian Courts."

"> The assessment of the subject property is not fair and equitable considering the assessed value and assessment classification of comparable properties"

"> The assessment of the subject property is in excess of its market value for assessment purposes".

Issue:

Is the market value of the subject supported by the market value indicators concluded in the direct sales approach?

Party Positions:

The Complainant submitted 7 retail condominium sales for the period from May 2008 to January 2010. A review of the 7 comparables was reduced to 1 indicator at the hearing. Two sales were considered as non-arms length. An additional two were post the valuation period. Of the remaining two one was an industrial condominium and the other was part of a residential condominium. The post valuation sale of the Beltline property at 1436 8th street SW with a valuation indicator of \$381.41 per square foot was the only indicator remaining.

The Complainant submitted a listing of 13 retail condominium assessment comparables for the CARB consideration. All but two were from the SW quadrant and ranged in size from 997 to 97,963 square feet. The square foot rates ranged from \$200.58 to \$347.78 and the average is \$258.53 for an average size of 19,962 square feet.

The Complainant also submitted 6 retail non-condominium sales with a size range of 10,462 to 52,178 square feet. The average assessment of this group is \$196.41 per square foot. Based on the provided comparable data the Complainant requested an assessment of \$250.00psf for the subject or an assessment of **\$4,050,000**.

The Respondent provided 4 Beltline retail condominium data in support of the \$330.00 per square foot assessment rate applied. Two were post valuation. The sale indicator at 1436 8th street SW with

the \$381.41 per square foot is common to both Parties. The main sales price concluded of \$413. per square foot is based on unit sizes of 970 and 679 square feet. Hence a significant size adjustment is required advised the Respondent.

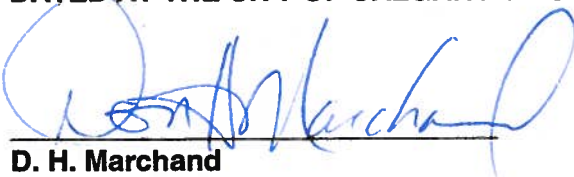
Decision:

The assessment is confirmed at **\$5,350,000.**

Reasons for the Decision:

The direct comparison approach is being advocated as the approach that will best provide a valuation indicator for the subject by both Parties. There are a limited number of similar retail-condominium sales. The subject of 16,233 square feet is larger than the typical 1,000 to 5,000 square retail-condominium selling. A downward adjustment is reasonable. The post valuation indicator is also verifying a downward trend in the rate. There is no evidence in support of the \$250.00 equity rate requested. The CARB is not persuaded to amend the assessment. A rate of \$330.00 per square foot is considered reasonable and is consistent with the rate applied to similar retail-condominium properties.

DATED AT THE CITY OF CALGARY THIS 1 DAY OF SEPTEMBER 2010.



D. H. Marchand
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.*