

**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:

Altus Group Ltd., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***L. Wood, PRESIDING OFFICER
I. Zacharopoulos, 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: 100003300
LOCATION ADDRESS: 5678 BURLEIGH CR SE
HEARING NUMBER: 59745
ASSESSMENT: \$2,370,000

This complaint was heard on 4th day of October, 2010 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- Mr. R. Worthington

Appeared on behalf of the Respondent:

- Mr. R. Ford

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

The parties consented to a two member panel hearing and deciding the complaint in this instance.

The parties had requested a brief recess to discuss several files, including this complaint, prior to the hearing commencing. The Board granted the parties' request.

Property Description:

The subject property is a single tenant warehouse, comprised of 16,528 sq ft of rentable building area, located on a 0.86 acre site in Burns Industrial. The warehouse was built in 1971. The land use designation is I-G, Industrial General. The site coverage ratio is 41.53%.

Issues: (as indicated on the complaint form)

1. The aggregate assessment per square foot applied to the subject property does not reflect market value for assessment purposes when using the direct sales comparison approach and should be \$120 psf.
2. The aggregate assessment per square foot applied is inequitable with the assessments of other similar and competing properties and should be \$121 psf.

Complainant's Requested Value: \$1,960,000

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. The values, as indicated on the complaint form, may have changed at the time of hearing.

1. **The aggregate assessment per square foot applied to the subject property does not reflect market value for assessment purposes when using the direct sales comparison approach and should be \$120 psf.**

The Complainant submitted the sale of the subject property for \$2,000,000 (December 2007) is the best representation of its actual value. He requested that the subject property's assessment be reduced to \$1,880,000 based on its time adjusted sale price (Exhibit C1 pages 9- 14). The sale of the subject property was the only sale submitted by the Complainant. He indicated that there is

recent case law in support of one sale (of the subject property) makes a market.

The Respondent stated that assessments must be based on mass appraisal and therefore more than one sale needs to be considered (Exhibit R1 page 4).

The Respondent submitted 6 sales comparables, five single tenant warehouses located in the Central quadrant and one multi tenant warehouse located in the SE quadrant. The warehouses have a net rentable area of 11,020- 22,000 sq ft, built in 1957- 1976, site coverage of 15.73%- 41.53% and a time adjusted sale price of \$114- \$251 psf (Exhibit R1 page 16). The sale of the subject property was included as one of the comparables at \$114 psf. The Respondent stated that the sales comparables support the assessment of the subject property at \$143 psf.

The Board reviewed the sales comparables as presented by both parties and determined that the time adjusted sale price of the subject property is the best indication of its market value and reduced the assessment accordingly.

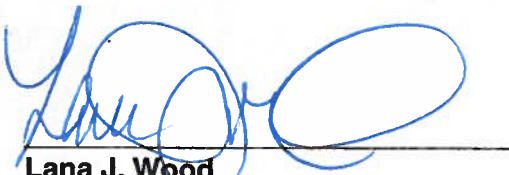
2. The aggregate assessment per square foot applied is inequitable with the assessments of other similar and competing properties and should be \$121 psf.

Both parties presented several equity comparables for the Board's consideration (Exhibit C1 page 15; Exhibit R1 page 17). However, in this instance, the Board placed the most weight on the sale of the subject property and therefore did not make a finding on the parties' equity comparables.

Board's Decision:

The decision of the Board is to reduce the 2010 assessment for the subject property from \$2,370,000 \$1,880,000.

DATED AT THE CITY OF CALGARY THIS 18 DAY OF NOVEMBER 2010.


Lana J. Wood
Presiding Officer

APPENDIX A**DOCUMENTS RECEIVED AND CONSIDERED BY THE ASSESSMENT REVIEW BOARD:**

NO.	ITEM
Exhibit C1	Evidence Submission of the Complainant
Exhibit C2	Altus Binder
Exhibit C3	Assessment Review Board decisions & legislation excerpts
Exhibit R1	City of Calgary's Assessment Brief

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.*