

**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:

Colliers International Realty Advisors, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

T. Helgeson, PRESIDING OFFICER

J. O'Hearn, MEMBER

J. Joseph, 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: 091019604

LOCATION ADDRESS: 4344 12th Street S.E.

HEARING NUMBER: 58690

ASSESSMENT: \$3,390,000

This complaint was heard on the 27th day of October, 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:

- *M. Uhryn*

Appeared on behalf of the Respondent:

- *T. Luchak*

Property Description:

The subject property consists of a single-tenant industrial warehouse on 1.55 acres of land. Constructed in 1971, the warehouse has a net rentable area of 29,988 square feet, site coverage of 44.40%, and 21% office finish. The subject property is located in the "Central" region of Calgary, and has been assessed at \$3,390,000, or \$113 per square foot of net rentable building area.

Issues:

Is the assessment of the subject property correct, and fair and equitable?

Complainant's Requested Value:

Typical sales of properties with more and better office finish than the subject sold for less per square foot of building area than the subject is assessed at. The median of the equity comparables is \$103.43 per square foot, which if applied to the subject property would result in an assessment of \$3,100,000. Based on the sales approach, with all sales comparables having a high site coverage, finish between 18% and 30%, and a median sales value of \$94.61 per square foot of building area, the assessment of the subject should be \$2,830,000, i.e., the assessment requested.

Assessor's Response:

One sale does not make an assessment. Mass appraisal requires that other sales be considered. If the panel is going to consider one sale, there is a property, 6420 6A Street S.E., very similar to the subject property, and it sold in June, 2008, for a time-adjusted sale price of \$3,107,355, or \$119 per square foot of building area. An adjustment in the assessment of the subject property is not warranted.

The Panel's Decision:

In the opinion of the panel, an adjustment to the assessment is warranted. The Complainant's sales comparables support a reduction, but not to the extent the Complainant has requested. Although the rule is that one sale does not an assessment make, it is a general rule; hence there may be exceptions to it. In this case, the time-adjusted sale price of the subject property is persuasive, and is supported by other sales of similar property when adjusted for site coverage and office finish. Accordingly, the assessment is reduced to \$3,190,000, as truncated, based on the subject property's time adjusted sale price of \$106.46 per square foot of building area.

DATED AT THE CITY OF CALGARY THIS 9th DAY OF NOVEMBER 2010.



T. Helgeson
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.*