

**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, Revised Statutes of Alberta 2000 (the Act).

between:

David Motter (as represented by Assessment Advisory Group Inc), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

B. Horrocks, PRESIDING OFFICER

S. Rourke, MEMBER

J. Rankin, MEMBER

This is a complaint to the Calgary Assessment Review Board in respect of a property assessment prepared by the Assessor of The City of Calgary and entered in the 2012 Assessment Roll as follows:

ROLL NUMBER:	100500800
LOCATION ADDRESS:	31 5080 12A ST SE
HEARING NUMBER:	67551
ASSESSMENT:	\$398,000

This complaint was heard on the 4th day of July, 2012 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. S. Cobb (Assessment Advisory Group Inc)
- Mr. T. Youn (Assessment Advisory Group Inc)

Appeared on behalf of the Respondent:

- Mr. J. Greer (City of Calgary)

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

[1] There were no concerns with the Board as constituted.

[2] There were no preliminary matters. The merit hearing proceeded.

Property Description:

[3] The subject property is a 0.87 acre parcel located in the Highfield Industrial community in SE Calgary. The site is improved with a multi-bay condominium warehouse that was constructed in 1997 and is considered to be of B quality. The subject condominium unit has a total ground area of 1,120 square feet (SF) (consisting of 504 SF of Finished Area and 616 SF of warehouse), and 504 SF of mezzanine office. The subject is assessed at the rate of \$245/SF utilizing the Sales Comparison approach to value.

Issues:

[4] The Assessment Review Board Complaint Form contained the general statement, "The assessed value is incorrect, and fails to meet the legislated standard market value and also fails to meet the requirements for equity in assessment", amongst other things.

Complainant's Requested Value: \$324,800 (Complaint Form)
\$300,000 (Hearing)

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

Issue What is the market value, for assessment purposes?

[6] The Complainant's Disclosure is labelled C-1.

[7] The Complainant submitted the assessment value for the subject property increased 38% from the previous year assessment and that market sales data of similar properties does not support the increase.

[8] The Complainant, at page 7 submitted a chart titled Industrial Condo Sales from July 2008 to July 2011, (under 5,000 SF, under \$500,000 Sale price) Highfield, Manchester Industrial. The chart contained 6 sales close to the subject, with sale price/ SF ranging from \$149.45 to \$214.35 and a median of \$184.99 in support of its request for an assessment rate of \$185/SF.

[9] It is noted that 4 of the 6 sales comparables are for buildings that are 30 or more years older than the subject and are of C-quality in comparison to the subject which is B quality. The Complainant submitted the best comparable was the sale at 104 1289 HIGHFIELD CR SE with a sale price of \$192.19/SF.

[10] The Complainant submitted CARB 2456/2011-P and ARB 0679/2010, which dealt with the same subject matter (market value of industrial condominiums) and asserted that it could not understand how the subject could be assessed at the rate of \$245.07/SF when the comparables are all in the \$185/SF range.

[11] The Respondent's submission is labelled R-1.

[12] The Respondent, at page 12, submitted a chart titled 2012 Industrial Condo Sales Comparables (All Highfield) which contained 6 sales with sale price/SF ranging from \$174 to \$203/SF of ground floor area and a median of \$196/SF. The Respondent submitted the subject has more finish than the comparables but the comparables are larger.

[13] The Respondent, at page 13, submitted a chart titled 2012 Industrial Condo Sales Comparables (All city condo sales between 1000 – 1200sf) noting the sale price/SF ranges from \$159 to \$257/SF with a median sale price of \$214/SF.

[14] The Board finds the best comparables from the Complainant are the sales located at 104 HIGHFIELD CR SE (\$192.19/SF) and 109 1289 HIGHFIELD CR SE (\$162.69).

[15] Similarly, the Board finds the best comparables from the Respondent are the sales located at 109 1289 HIGHFIELD CR SE (\$201/SF), 104 HIGHFIELD CR SE (\$192/SF) and 1931 HIGHFIELD CR SE (\$174/ SF). The Average sale price of these sales is \$189/SF. Further, the subject is superior to 104 and 109 because it has main floor office and should therefore have a market value greater than \$201/SF. In addition, 1931 HIGHFIELD (\$174/SF) is similar in all respects to the subject, except it is twice the size of the subject, therefore it should have a unit value less than the subject. The Board concludes a market rate for the subject of \$205/SF is reasonable and by extension the market value is \$332,920.


Board's Decision:

[16] The 2012 assessment is reduced to \$332,500.

Reasons:

[17] The 2 best comparables from the Complainant and the 3 best comparables from the Respondent, when combined, support an assessment rate of \$205/SF.

DATED AT THE CITY OF CALGARY THIS 2 DAY OF AUGUST 2012.


B. Horrocks
Presiding Officer

APPENDIX "A"**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	Respondent Disclosure

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.*

For Administrative Use

Subject	Property type	Property Sub-type	Issue	Sub-issue
CARB	Warehouse	Warehouse Multi Tenant (Unit ownership)	Sales Approach	Market value