

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

**between:**

***T. Sun Holdings Ltd. (as represented by Colliers International), COMPLAINANT***

**and**

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

**before:**

***S. Barry, PRESIDING OFFICER***

***R. Kodak, MEMBER***

***D. Morice, MEMBER***

This is a complaint to the Composite Assessment Review Board (CARB) in respect of a property assessment prepared by the Assessor of The City of Calgary and entered in the 2011 Assessment Roll as follows:

**ROLL NUMBER: 048052302**

**LOCATION ADDRESS: 2260 22 St. N.E.,  
Calgary, Ab.**

**HEARING NUMBER: 62892**

**ASSESSMENT: \$2,320,000**

This complaint was heard on 28th day of June, 2011 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:

- *D. Porteous*

Appeared on behalf of the Respondent:

- *M. Berzins*

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

There were no procedural or jurisdictional matters raised before the Board.

**Property Description:**

The property under complaint is a 0.85 acre parcel in the South Airways Industrial district with a 17,294 rentable square foot (sq.ft.), single-tenanted, multi-bay, C+ class, industrial warehouse constructed in 1988. The land use classification is Industrial – General (I-G). The property is assessed at \$135/sq.ft.

**Issues:**

A number of reasons and grounds for complaint were listed on the Complaint Form. At the time of the hearing they were reduced to the question of market value based on either the Direct Comparison approach or on equity.

**Complainant's Requested Value:** The requested assessment on the Complaint Form was \$1,810,000. At the time of the hearing this was revised to \$1,950,000 based on equity and \$2,020,000 based on sales comparison.

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

The Complainant provided five sales comparisons, supported by RealNet reports: two in South Airways, two in Meridian and one in Greenview Industrial. The Greenview Industrial area lies some distance to the west of the subject, across the Deerfoot Trail. The Board did not consider it a good comparable for this Complaint. The remaining sales occurred between September 2009 and April 2010 and realized sales prices, according to RealNet, of between \$109 and \$130/sq.ft., averaging \$120/sq.ft.

With respect to equity, the Complainant produced nine comparables of which four were multi-building properties and which were excluded from consideration by the Board because of the negative adjustment factor applied by the City to multi-building properties. The remaining five, all in South Foothills, are single building, single-tenanted properties of relatively similar size and approximate year of construction. The Parties did agree that the 1988 year of construction for the subject makes it atypical and difficult to compare directly as far the age of the property is concerned. These five properties had an average assessment rate of \$117/sq.ft. The

Respondent raised an issue with the last property listed because of its year of construction (1996), the higher, B quality of the building, and the fact that it had a 6,000 sq.ft. outbuilding that reduced the overall assessment. With that comparable removed, the average assessment rate was \$115/sq.ft.

The Respondent brought forward five sales comparables, two of which had been included in the Complainant's evidence. The Respondent's data was not, however, supported by any independent reports such as RealNet or Land Titles transactions. This was relevant because, while the sales prices are the same in the two pieces of evidence, the net rentable areas and thus the sales prices per sq.ft. are not. Without further documentation, the Board was unable to properly evaluate the rest of the Respondent's sales evidence.

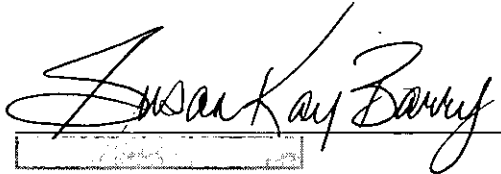
The Respondent also provided equity evidence in the form of six comparables. Only one of the six was in the subject area and another was in North Airways. Both of these buildings are approximately 20 per cent larger and between nine and twelve years newer than the subject. Parcel sizes differ somewhat but the percentage finish is considerably higher on the comparables.

The Board found that the market value of the property was best indicated by the sales comparisons provided by the Complainant at \$120/sq.ft. but moderated for the equity comparisons at \$115/sq.ft. thereby supporting the Complainant's requested assessment of \$2,020,000 based on \$117/sq.ft.

**Board's Decision:**

The 2011 assessment is reduced to \$2,020,000.

DATED AT THE CITY OF CALGARY THIS 8 DAY OF July 2011.



S. Barry, Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant's Disclosure
2. R1	Respondent's 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.*