

**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:

***Canadian Property Holdings (Alberta) Inc (as represented by Altus Group Limited),
COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, J. Zezulka
Board Member, J. Rankin
Board Member, S. Rourke***

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: 024018301

LOCATION ADDRESS: 908 - 53 Avenue NE

HEARING NUMBER: 67646

ASSESSMENT: 5,320,000.00

This complaint was heard on the 18 day of July, 2012, at the office of the Assessment Review Board located at Floor Number Four, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom Four.

Appeared on behalf of the Complainant:

- *C. Van Staden*

Appeared on behalf of the Respondent:

- *J. Young*
- *M. Hartmann*

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

(1) At the outset of the hearing, the Complainant objected to the inclusion of certain documents contained in the Respondent's submission, on the grounds that the information contained on those pages was confidential, and could possibly prejudice the client. By agreement between the parties, pages 64 and 65 of exhibit R1 were removed from the evidence package, and certain items on exhibit C3 were redacted.

Property Description:

(2) The subject is a multi tenant industrial warehouse, located in the Skyline East industrial district, of NE Calgary. The assessable building area is 60,075 s.f. The date of construction is 1976. The site area is 3.21 acres. Site coverage is 42.94 per cent.

Issues / Appeal Objectives

(3) The property is currently being assessed using the sales comparison approach. The assessment calculates to \$88.71 per s.f. of building. The Complainant does not dispute the valuation method. However, the Complainant maintains that the assessment amount is in excess of its market value for assessment purposes.

Complainant's Requested Value: \$4,270,000

Evidence / Argument

(6) In support of the argument, the Complainant submitted six sales comparables in the NE quadrant of the City. Building sizes ranged from 48,660 to 96,804 s.f. or about 35 per cent larger than the subject. Site areas ranged from 2.14 to 8.70 acres. All except one of the comparable buildings is newer than the subject. The median selling price was \$78 per s.f.

(7) Of the six comparables, one is a multi building site, and one was part of a larger portfolio transaction. The Complainant considered the property at 3905-29 Street NE to be the best comparable. That property reflected a time adjusted selling price of \$76 per s.f. However, that building is 61 per cent larger than the subject. Similarly, the site is 1.79 acres larger. The site coverage between the comparable and the subject is virtually the same.

(8) The Complainant also submitted a cost summation test that resulted in a value indication of \$4,272,118, or \$71 per s.f. However, the Complainant's building classification was of a storage warehouse, whereas the subject has 25 per cent interior finish. Typical storage warehouses contain three to 12 per cent finish, depending on quality.

(9) The Respondent submitted five comparable properties, including two used by the Complainant. According to the Respondent, the most comparable property is a multi tenant warehouse at 700 - 33 Street NE. The building is similar in size to the subject, and site sizes are similar. The two buildings were built in the same year. The subject's site coverage is slightly higher. The time adjusted selling price of the comparable is \$97 per s.f.

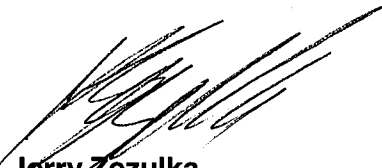
Board's Decision

(10) The Board does not accept the Complainant's cost calculations because, in the opinion of the Board, the building was incorrectly classified for purposes of the Marshall and Swift calculations.

(11) The Respondent's comparable sales evidence is considered equal to or superior to the evidence submitted by the Complainant. The onus is on the Complainant to show that an error exists in the existing assessment. The Complainant failed to do that to the satisfaction of the Board.

(12) The assessment is confirmed at 5,320,000.00.

DATED AT THE CITY OF CALGARY THIS 29 DAY OF August, 2012.



Jerry Zezulka
Presiding Officer

APPENDIX "A"

DOCUMENTS PRESENTED AT THE HEARING AND CONSIDERED BY THE BOARD:

NO.

ITEM

1. C1 General Rebuttal Submission of the Complainant
2. C2 Follow Up Rebuttal Submission of the Complainant
3. C3 Evidence Submission of the Complainant
4. C4 Specific Rebuttal Submission of the Complainant
5. R1 Evidence Submission of the Respondent

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.

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Decision No. 0679/2012 - P			Roll No. 201386745	
<u>Subject</u>	<u>Type</u>	<u>Issue</u>	<u>Detail</u>	<u>Issue</u>
CARB	Retail	Income / Equity	Rent	Assessed rent