

**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:

360522 Alberta Ltd., (as represented by MNP LLP), COMPLAINANT

and

The City of Calgary, RESPONDENT

before:

L. Wood, PRESIDING OFFICER

A. Huskinson, MEMBER

R. Kodak, 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:	201485984
LOCATION ADDRESS:	9420 ENDEAVOR DR SE
HEARING NUMBER:	65826
ASSESSMENT:	\$2,260,000

Appeared on behalf of the Complainant:

- Mr. M. Uhryn Agent, MNP LLP

- Mr. I. McDermott Assessor, City of Calgary

[1] There were no procedural or jurisdictional matters raised by the parties during the hearing.

[2] The subject property is a single tenant warehouse located in East Shepherd. The assessable building area is 15,950 sq. ft. and it is situated on 1.64 acres. The building was constructed in 2010; has 15% finish and a site coverage ratio of 20.78%. An ES4 Area Reduction was applied to the assessment (the amount of which was not disclosed at the hearing). The subject property was assessed on the direct comparison approach at \$142 psf.

[3] Comparable sales support an assessment less than the subject property's assessment of \$142 psf.

[4] The Complainant requested an assessment of \$1,866,150 or \$117 psf for the subject property.

[5] The Complainant submitted five sales comparables of single tenant warehouses in support of a reduction to \$117 psf for the subject property (Exhibit C1 page 29). These sales occurred between December 2008 – April 2011. The buildings were constructed from 1975 – 2010; have assessable building areas of 21,086 – 64,128 sq. ft.; a site coverage ratio of 10.20% – 30.81%; and finish percentage of 16% – 33%. The sale price was \$87 - \$127 psf, a median of \$117 psf.

[6] The Respondent submitted three sales comparables of single and multi tenant warehouses in support of the current assessment for the subject property (Exhibit R1 page 9). These sales occurred between April 2009 - April 2011. The buildings were constructed from 2003 – 2011; have assessable building areas of 15,430 – 17,550 sq. ft.; parcel sizes of 0.99 – 3.88 acres; a site coverage ratio of 10.39% – 25.66%; and finish percentage of 10% – 48%. The time adjusted sales price was \$171.55 - \$216.41 psf.

[7] The Respondent also included a sale of a single tenant warehouse located in the same

area as the subject property (Exhibit R1 page 9). It has an assessable building area of 17,885 sq. ft.; situated on 2.17 acres; site coverage ratio of 26.93%; and finish percentage of 21%. It is considerably older than the subject property (1965), but it sold in June 2011 for a time adjusted sale price of \$179.71 psf.

[8] The Respondent argued the Complainant's sales comparables are not similar to the subject property in terms of size or age (Exhibit R1 page 11). In addition, he questioned the reliability of one of the Complainant's sales, particularly the property located at 7530 114 AV SE which sold in September 2010 for \$2,475,000 or \$117 psf. There is a handwritten note on the Non Residential Property Sale Questionnaire for this property which states the property vendor failed to abide by the terms of the option agreement which resulted in a lawsuit that commenced in May 2007. The sale price was the negotiated settlement price (Exhibit R1 pages 12 – 15).

[9] The Board finds the Complainant did not meet the burden of proof in this instance. The Board finds the Complainant's sales comparables are much older (+25 years) and significantly larger (two to three times) in assessable building area than the subject property, and therefore are not comparable to the subject property. The Board also questions the reliability of the sale located at 7530 114 AV SE (given the explanation provided on the questionnaire). It could be perceived the Complainant had intentionally misrepresented that sale when he failed to disclose such relevant information to the Board. While the Board appreciates that information was provided in a City document, the Complainant cites multiple sources from which he compiles data for the purposes of assessment complaints (Exhibit C1 page 3). Such details could have been obtained through other sources. The Board finds there is an ethical obligation on all parties to disclose such relevant information to the Board if they are aware of it at the time of hearing.

Board's Decision:

[10] The decision of the Board is to confirm the 2012 assessment for the subject property at \$2,260,000.

DATED AT THE CITY OF CALGARY THIS 7 DAY OF SEPTEMBER 2012.



Lana J. Wood
Presiding Officer

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

NO.	ITEM
1. C1	Complainant's Evidence
2. R1	Respondent's Evidence

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 Single Tenant	Sales Approach	Land & Improvement Comparables