

**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:

***Sun Life Assurance Company of Canada,
(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:	033044207
LOCATION ADDRESS:	1339 40 AV NE
HEARING NUMBER:	65890
ASSESSMENT:	\$6,470,000

This complaint was heard on the 19th day of July, 2012 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- Mr. M. Uhryn Agent, MNP LLP

Appeared on behalf of the Respondent:

- Mr. I. McDermott Assessor, City of Calgary

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

[1] At the commencement of the hearing, the parties requested that files #65888, #65890, #65886 and #66532 be cross referenced as the evidence and argument is similar. The Board agreed with the parties' request.

Property Description:

[2] The subject property is comprised of two, multi - tenant industrial warehouses located on a 2.80 acre site in McCall. Both warehouses were built in 2001. The first one has an assessable building area of 33,478 sq. ft. and 52% finish. The second has an assessable building area of 14,000 sq. ft. and 96% finish. The buildings have a 33.64% site coverage ratio, and were assessed as Quality A-. The land use designation is I-G, Industrial General.

[3] The warehouses were assessed based on the Direct Sales Comparison Approach at \$126.60 psf and \$159.87 psf respectively, and an overall assessed rate of \$136.41 psf. A multi building coefficient was applied to this assessment but it was not provided to the Board.

Issue:

[4] Based on the Direct Sales Comparison Approach, the assessed rate for the subject property should be \$104 psf.

Complainant's Requested Value:

[5] The Complainant submitted the assessed value for the subject property should be \$4,930,000 or \$104 psf.

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

[6] The Complainant submitted ten sales comparables of single and multi building industrial sites located in the NE quadrant in support of his request (Exhibit C1 page 34). The sales occurred in September 2008 – June 2011. The buildings were constructed in 1972 – 1998; have an assessable building area of 17,600 – 59,573 sq. ft.; a finish percentage of 3% - 73%; and a site coverage ratio of 33.66% - 49.4%. The sale price ranged between \$83 - \$125 psf; a median of \$104 psf. (It was noted at the hearing that errors were reported for the property located at 2835 23 ST NE: it sold for \$92 psf as opposed to \$70 psf and it was assessed for \$99 psf as opposed to \$75 psf).

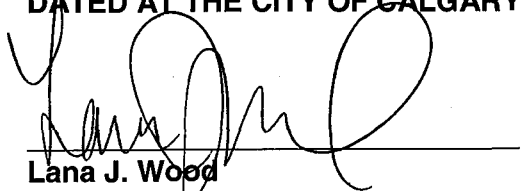
[7] The Respondent presented seven single and multi building industrial sites located in the NE quadrant in support of the subject property's assessment (Exhibit R1 page 15). The sales occurred in August 2008 – June 2011. The buildings were constructed in 1977 – 2001; have an assessable building area of 15,018 – 24,880 sq. ft.; a finish percentage of 3% - 56%; and a site coverage ratio of 17.69% - 46.70%. The (time adjusted) sale price ranged between \$92 - \$180.53 psf.

[8] At first blush, it appears that the current assessment for the subject property is too high, even with a 96% finish in one of the buildings on site. However the Board is not convinced by either party's market evidence to support their respective positions, given the wide range of values. The Board finds the sales data that each party submitted was so broad in terms of assessable building areas, age, site coverage ratios, finish and/or quality, with no adjustments, that the market evidence was inconclusive. However the onus is on the Complainant to bring the assessment into question. Without reasonably comparable and accurate sales data provided by the Complainant to support the requested assessment, the Board must confirm the current assessment of the subject property.

Board's Decision:

[9] The decision of the Board is to confirm the 2012 assessment for the subject property at \$6,470,000.

DATED AT THE CITY OF CALGARY THIS 24 DAY OF OCTOBER 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. C2	Complainant's Rebuttal
3. 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 Multi Tenant	Sales Approach	Land & Improvement Comparables