

**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:

1504036 Alberta Ltd. (as represented by AltusGroup Limited), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, J.Zezulka
Board Member, A. Huskinson
Board Member, J. Massey***

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: 100013101

LOCATION ADDRESS: 6204 - 6A Street SE

HEARING NUMBER: 68072

ASSESSMENT: 4,740,000.00

This complaint was heard on the 30th 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:

- *R. Worthington*

Appeared on behalf of the Respondent:

- *G. Bell*

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

- (1) There were no preliminary issues or jurisdictional issues raised by either party.

Property Description:

- (2) The subject is a single tenant industrial warehouse, located in the Burns industrial district, of SE Calgary. The assessable building area is 39,193 square feet (s.f). The date of construction is 1972. The site area is 2.91 acres. Site coverage is 21.48 per cent. For assessment purposes, there are 0.829957147 acres classified as extra land.

Issues / Appeal Objectives

- (3) The property is currently being assessed using the sales comparison approach. The assessment calculates to \$121.10 per s.f. of building, including the extra land. 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. The Complainant also maintains that the assessment is not equitable in relation to similar properties.

Complainant's Requested Value: \$3,840,000

Evidence / Argument

- (4) The Complainant argued that the subject sold in an arms length transaction in December, 2009, for \$3,825,000, and that the current time adjusted selling price is \$3,840,000, based on the City's time adjustment. The Respondent does not dispute the time adjusted selling price.
- (5) The Complainant submitted seven assessment equity comparables. Assessments range from \$103 to \$108 per s.f. The median is \$107. Building sizes range from 25,229 to 47,578 s.f. The median site coverage is 29.97 per cent.
- (6) The Respondent submitted five sales of comparable properties. All of the comparables are smaller than the subject, both in land area, and assessable building area. Sale dates range from August, 2008 to June, 2010. The board notes that the subject, with a selling date of December, 2009, was not included in the sampling. Time adjusted selling prices range from \$114.19 to \$125.65 per s.f.

(7) The Respondent also submitted four equity comparables, but provided no analysis or explanation as to their comparability to the subject. The Board did not find this evidence to be very helpful.

Board's Decision

(8) The sale of the subject in December, 2009 is within the three year period used by the City for purposes of data analysis. However, for some reason, the City failed to consider the sale of the subject in their analysis. Both parties are in agreement relative to the quantum of the time adjustment to be applied to comparable sales transactions.

(9) Typically, the arms-length selling price of a subject is considered to be the best indicator of value for that property. This instance is no exception. The Board concludes that the time adjusted selling price of the subject is the best indication of its market value.

(10) The assessment is reduced to 3,840,000.00.

DATED AT THE CITY OF CALGARY THIS 12 DAY OF September 2012.



Jerry Zezulka
Presiding Officer

APPENDIX "A"

DOCUMENTS PRESENTED AT THE HEARING AND CONSIDERED BY THE BOARD:

NO.	ITEM
1.	C1 Evidence Submission of the Complainant
2.	C2 Rebuttal Submission of the Complainant
3.	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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<i>Decision No. 0679/2012 - P</i>			<i>Roll No. 201386745</i>	
<u><i>Subject</i></u>	<u><i>Type</i></u>	<u><i>Issue</i></u>	<u><i>Detail</i></u>	<u><i>Issue</i></u>
CARB	Retail	Income / Equity	Rent	Assessed rent