

**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:

Standen's Limited(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: 200564383

LOCATION ADDRESS: 5760 - 11 Street SE

HEARING NUMBER: 68395

ASSESSMENT: \$6,840,000

This complaint was heard on the 1st day of August, 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) None

Property Description:

- (2) The subject is comprised of the Standens premises. The property consists of a 65,537 square foot (s.f.) single tenant industrial warehouse, and a 7,399 s.f. industrial outbuilding, situated on a 5.81 acre site. The buildings were constructed in 1973. Total site coverage calculates to 25.68 per cent. The City classifies 0.272044689 acres as extra land. The location is the Burns Industrial Park in the central region of the City.

Issues / Appeal Objectives

- (3) The City has assessed the property using the sales comparison approach. The total assessment calculates to \$104.50 per s.f., including both buildings and the extra land.
- (4) There are two issues that make up this complaint;
- a) The "extra" land is not subdividable, and therefore does not add additional value to the property, and
 - b) The current assessment does not realistically reflect market value, and is inequitable with similar properties.

Complainant's Requested Value:

- (5) \$5,310,000, amended to \$6,260,000 at the hearing.

Evidence / Argument

- (6) The Complainant submitted five comparable sales that reflect time adjusted selling prices ranging from \$83 to \$133 per s.f.. The median is \$109 per s.f. The median assessment of the sampling is \$75.96 per s.f., or an assessment to sales ratio of 77 per cent. All of these comparables have a significantly higher site coverage than the subject.
- (7) The Complainant also submitted six equity comparables that reflect a median assessment of \$88.87 per s.f..
- (8) The Respondent submitted five comparable sales, of which one was withdrawn at the

hearing. The sales reflected time adjusted selling prices of \$107.92 to \$147.33 per s.f. The two highest relative indicators were reflected by comparables in the SE region, both of which are significantly smaller than the subject. The two comparables in the central region reflected per s.f. amounts of \$107.92 and \$108.33. Site coverage for these two properties is 55.18 and 38.86 per cent. One, at 7130-Fisher Road SE, has 41 per cent interior finish, compared to the subject at 1 per cent. None of these could be considered truly comparable to the subject.

(9) The Respondent also submitted four equity comparables. Assessments per s.f. range from \$87.85 to \$107.14. The average calculates to \$95.82, and the median is \$94.15.

Board's Findings

(10) The Respondent's equity comparables contradict the values indicated by the Respondent's sales comparables.

(11) For the reasons mentioned in paragraphs (8) and (10), this Board gives little recognition to the Respondent's sales evidence.

(12) In the Board's opinion, the evidence submitted by the Complainant was not compelling enough to prompt the Board to depart from the conclusions indicated by the Respondents equity comparables. These reflect an average assessment of \$95.82 per s.f.

Board's Decision

(13) The assessment of the subject is reduced to \$96 per s.f., or \$6,291,552, truncated to \$6,290,000.

DATED AT THE CITY OF CALGARY THIS 13th DAY OF September, 2012.


Jerry Zezulka
Presiding Officer

**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

Decision No. 1246/2012 - P			Roll No. 200564383	
<u>Subject</u>	<u>Type</u>	<u>Issue</u>	<u>Detail</u>	<u>Issue</u>
CARB	Industrial	Equity	N/A	Comparables, extra land allocation