

**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:

***Cargo Containers Inc. (as represented by Linnel Taylor Assessment Strategies),
COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

***T. Hudson, PRESIDING OFFICER
Y. Nesry, MEMBER
D. Cochrane, 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 2011 Assessment Roll as follows:

ROLL NUMBER: 200595668

LOCATION ADDRESS: 2004 Alyth Place SE

HEARING NUMBER: 60804

ASSESSMENT: \$1,530,000

This complaint was heard on the 19th day of July, 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- *J. Mayer*

Appeared on behalf of the Respondent:

- *R. Luchak*

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

There were no procedural or jurisdictional matters raised by the parties.

Property Description:

The subject property is a single tenant (IWS) warehouse, built in 1975, and includes 8.392 square feet of assessable area, located on a 0.66 acre parcel. There is no office finish in the building and site coverage is 29.19%. The property is located in the Central industrial area and is assessed based on the direct sales comparison approach at \$1,530,000, or \$183 per square foot(psf).

Issues:

The Complainant identified the current assessment amount as the primary issue. The Complainant argued that the current assessment is both incorrect and inequitable when compared to similar properties. The current assessment does not reflect the atypical characteristics of the subject property.

Complainant's Requested Value: \$1,000,000 rounded or \$119psf.

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

The Board finds that the subject is an atypical warehouse property with diminished utility, due to substandard infrastructure services, access, and parcel shape.

The Complainant introduced both an income, and a direct sales comparison approach to value assessment estimate for the subject property. The Respondent used only the direct sales comparison approach. The Board placed little weight on the income approach due to the lack of evidence in support of the rent, vacancy, and cap rates used to calculate the assessment

estimate.

The Respondent presented five sales and three equity comparables of typical warehouse properties in support of the current assessment. In the opinion of the Board, the comparables submitted by the Respondent are superior to the subject property. In addition, with the exception of one in 2009, the sales comparables occurred in 2007 and 2008.

The Complainant submitted three sales comparables. The sale at 1560 Hastings Crescent SE was eliminated due to the affect of contamination issues on the sale price. The Board views the two remaining property sales as comparable to the subject property. These two properties sold in 2009, and 2010, at an average sale price of \$136psf. Through a number of subjective adjustments, designed to improve the comparison of the sale properties to the subject, the Complainant reduced the assessment requested to \$119psf. The Board did not accept this estimate.

Based on the evidence, the Board finds that the assessment of the subject property should be reduced to \$136psf; a reasonable estimate of both market value, and equity with similar properties.

Board's Decision: The assessment is reduced to \$1,141,000 rounded or \$136psf.

DATED AT THE CITY OF CALGARY THIS 19th DAY OF August 2011.



T. B. Hudson
Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	Respondent Disclosure

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.*