

**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 Ngai Development Company Ltd.
(as represented by Colliers International Realty Advisors Inc.), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

L. Wood, PRESIDING OFFICER
R. Deschaine, MEMBER
K. Farn, 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:	067229708
LOCATION ADDRESS:	1400 12 AV SW
HEARING NUMBER:	66204
ASSESSMENT:	\$7,250,000

This complaint was heard on the 20th day of August, 2012 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- Mr. J. Havrilchak Agent, Colliers International Realty Advisors Inc.

Appeared on behalf of the Respondent:

- Mr. R. Fegan Assessor, City of Calgary

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

[1] At the commencement of the hearing, the parties indicated they had an opportunity to discuss the assessment for the subject property, formerly known as the Super Drug Store.

[2] The parties submitted the subject property has been vacant for the past three years and is in a state of disrepair as shown in the photographs provided by the Complainant (Exhibit C1 pages 5 – 11).

[3] The current assessment is based on the Income Approach to value, and includes Market Net Rental Rates of \$21.00 psf for Retail Space (18,665 sq. ft.) and \$10.00 psf for Retail Space Below Grade (30,493 sq. ft.). It also has an assessed vacancy rate of 10% (Exhibit R1 pages 6 & 7).

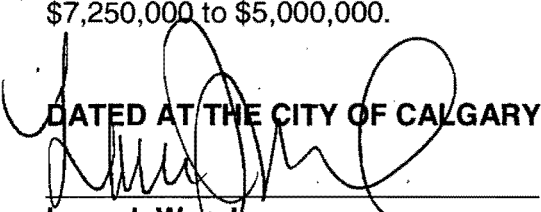
[4] Both parties agreed the current assessment does not capture the characteristics and physical condition of the subject property or its chronic vacancy. The Respondent submitted the property could be valued as if it is vacant land (the parcel size is 35,353 sq. ft.) or, alternatively, it could be assessed based on the Income Approach to value with a 25% vacancy rate as requested by the Complainant. However the building has outlived its economic life and therefore it would be reasonable to assess it as if it is vacant land. Based on vacant land parcels in that area which, on average, indicate an assessed rate of \$147.00 psf, the Respondent submitted a total assessed value of \$5,000,000 for the subject property is fair and equitable (Exhibit C1 pages 15 – 20). The Complainant was in agreement.

[5] The Board finds the parties' explanation is reasonable and reduces the assessment for the subject property to \$5,000,000 accordingly.

Board's Decision:

[6] The decision of the Board is to revise the 2012 assessment for the subject property from \$7,250,000 to \$5,000,000.

DATED AT THE CITY OF CALGARY THIS 6 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	Other Property Types	Vacant Land		