

**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:

Foothills Equities Inc. (as represented by Altus Group Limited), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

B Horrocks, PRESIDING OFFICER

M. Grace, MEMBER

B. Jerchel, 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:	097017305
LOCATION ADDRESS:	5820 48 ST SE
HEARING NUMBER:	64469
ASSESSMENT:	\$13,830,000

This complaint was heard on the 17th day of Aug., 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 1.

Appeared on behalf of the Complainant:

- Mr. J. Smiley (Altus Group Limited)

Appeared on behalf of the Respondent:

- Mr. I. Baigent

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

There were no concerns with the composition of the Board.

The Complainant advised the Rebuttal had been submitted in error and was not relevant. The merit hearing proceeded.

Property Description:

The subject property is a 7.61 acre parcel located in the Foothills Industrial Park in SE Calgary. The site is improved with a 177,002 square foot (SF) multi-tenant warehouse that was constructed in 1995 with site coverage of 53.39% and finish of 5%. The subject is assessed at a rate of \$78.00 per SF using the Direct Sales Comparison Approach to Value.

Issues:

The Assessment Review Board Complaint Form contained 12 grounds for appeal, but at the outset of the hearing, the Complainant advised that the only outstanding issue was equity.

Complainant's Requested Value: \$11,390,000 (Complaint form)
\$11,680,000 (Hearing)
\$12,560,000 (Alternate at Hearing)

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

Issue Equity

The Complainant's Disclosure is labelled C-1.

The Complainant, at page 11, submitted a list of 4 purported equity comparables with total rentable areas ranging from 191,551 to 653,905 SF (subject is 177,002 SF), site coverage ranging from 57.8% to 65.0% (subject is 53.4%), finish ranging from 3.0 to 23.0% (subject is 5.0%) and assessments ranging from a rate of \$65 to \$71 per SF. The Complainant requested the assessment be reduced to the median rate of \$66 per SF which would yield an assessment of \$11,680,000. The Complainant submitted the best comparable is located at 6025 51 ST SE and is back to back with the subject, separated only by a railway spur. The Complainant argued the assessment rate for the subject should not be higher than the assessment rate for the best comparable (\$71 per SF) which would yield an assessment of \$12,560,000.

The Respondent's Disclosure is labelled R-1.

The Respondent, at page 24 provided a list of Sales Comparables (Industrial Warehouse 100k+ sf), noting the range of time adjusted sales price (TASP) for single building properties sold between Dec. 2007 and April 2010 was \$81 to \$135 per SF, noting the subject is assessed at a rate of \$78 per SF.

The Respondent, at page 23, provided a list of 7 equity comparables with assessment rates ranging from \$75 to \$95 per SF, noting the overall market values of the comparables were within 2 to 3 million dollars of the subject.

The Board finds the assessment rate of the subject (\$78 per SF) falls below the range of market values (\$81 to \$135 per SF) and within the range of equity comparables (\$75 to \$95 per SF), and as a result, no change is required.

Board's Decision:


The 2011 assessment is confirmed at \$13,830,000.

Reasons

The subject assessment is below the range of market values and within the range of equity comparables.

There was no market evidence submitted by the Complainant.

DATED AT THE CITY OF CALGARY THIS 25 DAY OF August 2011.


B. Horrocks
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.*