

**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:

Shawco Holdings B. & C. Ltd.
(as represented by Assessment Advisory Group), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

J. Krysa, PRESIDING OFFICER
D. Steele, 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 2011 Assessment Roll as follows:

ROLL NUMBER:	101014900
LOCATION ADDRESS:	5938 Centre St SE
HEARING NUMBER:	63418
ASSESSMENT:	\$2,100,000

The complaint was heard on August 24, 2011, in Boardroom 2 at the office of the Assessment Review Board, located at 1212 – 31 Avenue NE, Calgary, Alberta.

Appeared on behalf of the Complainant:

- T. Howell

Appeared on behalf of the Respondent:

- J. Ehler

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

There were no procedural or jurisdictional matters raised by either party during the course of the hearing.

Property Description:

The subject property is a 42,519 sq.ft. (square foot) parcel of land, improved with a 12,986 sq.ft. "B" class, industrial warehouse structure, constructed in 1971.

Issues:

The Complainant raised the following matter in section 4 of the complaint forms:

3. an assessment amount

The Complainant set out 2 grounds for the complaint in section 5 of the complaint form with a requested assessment of \$1,970,000. However, at the hearing the Complainant led evidence and argument only in relation to the following issue:

- The assessed value is incorrect and fails to meet the legislated standard of market value.

Complainant's Requested Value:

At the hearing, the Complainant requested that the subject property be assessed at \$1,400,000.

Board's Decision in Respect of the Issue:

The Complainant argued that the assessment of the subject property exceeds its market value. In support of the argument, the Complainant submitted three comparable sales that exhibit a range of sale prices from \$81 to \$126 per sq. ft. in contrast to the subject's assessment at \$162 per sq.ft. The 2011 assessments of the comparables were also provided as outlined below:

Address	Sale Date	Sq.Ft.	Sale Price	Sale Price per sq.ft.	2011 Assessment	Assessment per sq.ft.
4301 9 St SE	Apr-09	14,700	\$ 1,850,000	\$126	\$ 2,040,000	\$139
1560 Hastings Cres SE	Dec-09	13,500	\$ 1,250,000	\$93	\$ 2,410,000	\$179
6912A Farrell Rd SE	Dec-09	17,940	\$ 1,450,000	\$81	\$ 1,820,000	\$101

The Complainant further applied adjustments for building size, site coverage and year of construction, to the three sale prices to reflect the characteristics of the subject property, from which the Complainant established a rate of \$108 per sq.ft., and an estimate of market value for the subject property of \$1,399,840 [C1, pp.8-13, 30].

In cross examination, the Complainant conceded that the sale price of the property located at 1560 Hastings Crescent SE was potentially affected by site contamination. Further, the Complainant agreed that the sale of 4301 9 St SE, at the adjusted rate of \$138 per sq.ft. was the most comparable to the subject property.

The Respondent did not submit evidence in the matter. However, in response to the Complainant's evidence, the Respondent argued that the Complainant's adjustments were subjective, and were not supported by market evidence.

With respect to adjustments to the comparable sales, the Complainant argued that he is unfairly held to a higher standard than the Respondent, in that the Respondent argues that the adjustments are unsupported by market evidence, yet generally makes no adjustments to their own sales comparables.

Decision:

The Board finds that the assessed value is incorrect and fails to meet the legislated standard of market value.

Although the Board agrees that the Complainant's sale price adjustments are subjective and therefore constitute opinion evidence, in the absence of any market evidence from the Respondent to refute the Complainant's opinion, the Board infers that the adjustments are not inappropriate. Further, notwithstanding the Respondent's argument, the Board notes that with the exception of the 1560 Hastings Crescent SE property, the Complainant's adjusted sale prices approximate the 2011 assessments of the other two sales comparables.

The Complainant's sale at 1560 Hastings Crescent SE, was dismissed by the Board as a valid market indicator due to the potential impact of contamination on the sale price, as conceded by the Complainant. The Board notes however, that although the Respondent argued that the \$93 per sq.ft. sale price was affected by the property's site contamination, the 2011 assessment of the same property at \$179 per sq.ft. implies that the contamination is not a negative influence.

Of the other two sales in evidence, the Board placed greatest weight on the Complainant's sale of 4301 9 St SE, at the Complainant's adjusted sale price of \$138 per sq.ft., as it was deemed to be the most similar to the subject property.

Accordingly, the assessment is revised from \$2,100,000 to **\$1,790,000.**

DATED AT THE CITY OF CALGARY THIS 12 DAY OF OCTOBER, 2011.



J. Krysa
Presiding Officer

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

NO.	ITEM
1. C1	Complainant's Submission
2. R1	CARB 1404/2011-P
3. R2	CARB 2050.2010-P
4. R3	CARB 1401/2011-P

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	Warehouse	Single Tenant	Sales Approach	Comparables