

**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:

1414225 ALBERTA LTD., COMPLAINANT
(Represented by Colliers International Realty Advisors Inc.)

and

The City Of Calgary, RESPONDENT

before:

Board Chair P. COLGATE
Board Member J. KERRISON
Board Member J. JOSEPH

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: 101031805

LOCATION ADDRESS: 5707 3 STREET SE

HEARING NUMBER: 61379

ASSESSMENT: \$3,130,000.00

This complaint was heard on 20 day of September, 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:

- *Michael Uhryn, Colliers International Realty Advisors Inc. – Representing 1414225 Alberta Ltd.*

Appeared on behalf of the Respondent:

- *John Ehler – Representing the City of Calgary*

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

The Board derives its authority to make this decision under Part 11 of the Municipal Government Act. The parties had no objections to the panel representing the Board as constituted to hear the matter. No jurisdictional or procedural matters were raised at the outset of the hearing, and the Board proceeded to hear the merits of the complaint.

Property Description:

The subject property is a 1962, 21,500 square foot industrial warehouse located in the Manchester Industrial area. The 'C' quality warehouse contains 12% office finish area. The 3.25 acre site exhibits a slight irregularity along the rear lot line. The site is zoned Industrial – General.

Issue:

Is the rate per square foot representative of the market value of the property?

Complainant's Requested Value: \$2,500,000.00

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

Complainant's Evidence:

The Complainant requested a revised assessment, based upon \$117.00 per square foot, of \$2,506,967.00 – rounded to \$2,500,000.00.

The Complainant submitted photographs of the subject property, identified as the Bingo Dome, and a location map of the subject. (C1, Pg. 11-13 & 17). 2011 City of Calgary Assessment Summary Report and Assessment Explanation Supplement provided the current details as to the subject's assessment. (C1, Pg. 16 & 18)

The subject property has site coverage of 15.19%, so the extra land area of 1.60 acres is added to the assessment as additional land within the industrial warehouse model.

The Complainant provided a table of six sale comparables in support of the requested rate of \$117.00 per square foot. (C1, Pg. 20) The sale price per square foot ranged from \$111.00 to \$135.00 per square foot. Aerial photographs showing the location of the subject and the sale

comparables were provided. (C1, Pg. 21-23)

Respondent's Evidence:

The Respondent provided location maps and both external and internal photographs of the subject property. (R1, Pg. 9-16)

The Respondent submitted three sale comparables from the Central market region into evidence, with time adjusted sale price per square foot ranging from \$198.00 to \$251.00, for a median value of \$216.00. (R1, Pg. 18) The sales occurred in 2007 and 2008.

The Respondent submitted arguments for the exclusion of two of the sale comparables submitted by the Complainant. (R1, Pg. 20-27) The property at 9415 48 Street SE has a special assessment as one structure is assessed at a nominal value for 2010 as pictures indicate the structure is under renovation. The property at 2820 3 Avenue SE is documented as a Non-arm's length transaction as the Vendor and Purchaser have the same signing officer.

Findings of the Board

The Board finds the sales provided by the Complainant have a more recent sale date than those submitted by the Respondent from 2007 and 2008, better representative the market conditions.

The Board does not accept the argument put forward by the Respondent for the exclusion of the sale at 9415 48 Street SE as the Respondent has not satisfied the Board as to the impact of the renovation to one of the structures to the sale price. The action of the City of Calgary to adjust the assessment value for one year to reflect a condition has not been shown to be a factor in the purchase price negotiated by the owner.

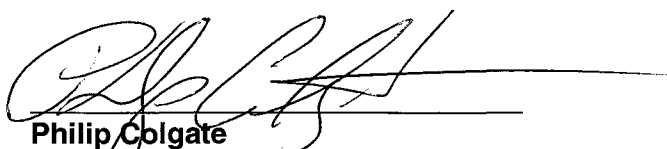
The Board does accept the Respondent's argument to remove the sale at 2820 3 Avenue NE. The Respondent has provided sufficient evidence that the sale was not an arms length transaction, thus the sale price is in question.

Board's Decision:

The Board finds the best indicators of value were presented by the Complainant with the sales at 4609 Manitoba Road SE, 402 53 Avenue SE and 4315 72 Avenue SE, as the three properties located in the southeast quadrant. Based upon an average rate per square foot of \$125.67 the assessment is reduced accordingly.

The Board reduces the assessment from \$3,130,000.00 to \$ 2,700,000.00

DATED AT THE CITY OF CALGARY THIS 8 DAY OF November 2011.


Philip Colgate
Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	Respondent Disclosure
3. R2	Respondent Disclosure (requested by the Board)

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	Warehouse single Tenant	Cost/Sales Approach	Land & Improvement Comparables