

**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:

***Westfield Willowglen Ltd., (as represented by Altus Group Ltd.), COMPLAINANT***

and

***The City Of Calgary, RESPONDENT***

before:

***C. McEwen, PRESIDING OFFICER***

***I. Fraser, MEMBER***

***B. Jerchel, MEMBER***

This is a complaint to the Calgary Assessment Review Board in respect of the property assessments prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as per Schedule A:

**SCHEDULE A**

<b>Roll Number</b>	<b>Location Address</b>	<b>Hearing Number</b>	<b>Assessment</b>
055502306	5 811 MANNING RD NE	57594	\$1,560,000
055502322	6 811 MANNING RD NE	57594	\$2,040,000
055502348	7 809 MANNING RD NE	57594	\$ 953,500
055502363	8 809 MANNING RD NE	57594	\$1,760,000
055502389	9 809 MANNING RD NE	57594	\$1,710,000
055502405	10 807 MANNING RD NE	57594	\$1,970,000
055502421	11 807 MANNING RD NE	57594	\$2,030,000
055502520	16 805 MANNING RD NE	57594	\$2,040,000
055502546	17 803 MANNING RD NE	57594	\$1,640,000
055502561	18 803 MANNING RD NE	57594	\$1,760,000
055502587	19 803 MANNING RD NE	57594	\$1,700,000
055502603	20 801 MANNING RD NE	57594	\$1,910,000
055502629	21 801 MANNING RD NE	57594	\$2,000,000
055502645	22 801 MANNING RD NE	57594	\$1,950,000

Roll Number	Location Address	Hearing Number	Assessment
055502686	24 802 MANNING RD NE	57594	\$ 342,500
055502702	25 802 MANNING RD NE	57594	\$ 472,500
055502728	26 4 MANNING CL NE	57594	\$1,710,000
055502744	27 4 MANNING CL NE	57594	\$1,810,000
055502769	28 8 MANNING CL NE	57594	\$1,920,000
055502785	29 8 MANNING CL NE	57594	\$1,990,000
055502827	31 12 MANNING CL NE	57594	\$1,670,000
055502843	32 12 MANNING CL NE	57594	\$1,520,000

This complaint was heard on the 18th day of July, 2011 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- D. Chabot
- B. Hamilton

Appeared on behalf of the Respondent:

- J. Young

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

There were no procedural or jurisdictional matters raised by either party.

#### **Property Description:**

The subject properties are twenty-two Suburban Office Condominiums (the Willowglen Business Park) located in the Mayland Industrial district of NE Calgary. In total, the properties provide approximately 260,000 square feet of leasable office space. The properties are assessed using the Direct Sales Approach to Value at a rate of \$175 per square foot.

#### **Issues:**

The subject properties are assessed higher than market value and are, therefore, inequitable to comparable properties.

#### **Complainant's Requested Value:**

Refer to Schedule B.

## SCHEDULE B

Roll Number	Location Address	Hearing Number	Requested Assessment
055502306	5 811 MANNING RD NE	57594	\$ 940,283
055502322	6 811 MANNING RD NE	57594	\$1,225,000
055502348	7 809 MANNING RD NE	57594	\$ 570,406
055502363	8 809 MANNING RD NE	57594	\$1,056,000
055502389	9 809 MANNING RD NE	57594	\$1,028,000
055502405	10 807 MANNING RD NE	57594	\$1,180,000
055502421	11 807 MANNING RD NE	57594	\$1,220,000
055502520	16 805 MANNING RD NE	57594	\$1,226,000
055502546	17 803 MANNING RD NE	57594	\$ 986,000
055502561	18 803 MANNING RD NE	57594	\$1,060,000
055502587	19 803 MANNING RD NE	57594	\$1,020,000
055502603	20 801 MANNING RD NE	57594	\$1,150,000
055502629	21 801 MANNING RD NE	57594	\$1,200,000
055502645	22 801 MANNING RD NE	57594	\$1,170,000
055502686	24 802 MANNING RD NE	57594	\$ 205,000
055502702	25 802 MANNING RD NE	57594	\$ 283,000
055502728	26 4 MANNING CL NE	57594	\$1,030,000
055502744	27 4 MANNING CL NE	57594	\$1,088,000
055502769	28 8 MANNING CL NE	57594	\$1,153,000
055502785	29 8 MANNING CL NE	57594	\$1,196,000
055502827	31 12 MANNING CL NE	57594	\$1,005,000
055502843	32 12 MANNING CL NE	57594	\$ 913,799

**Board's Findings and Reasons in Respect of Each Matter or Issue:**

The Board finds the sale of the subject properties on July 27<sup>th</sup>, 2009 to be the best indicator of market value for assessment purposes. Accordingly, the Board reduces the subject assessments as per Schedule C. The revised assessments are based upon the subject's selling price of \$28,300,000 (including adjustments) as reported by RealNet and each revised assessment is given exactly the same weight (as a percentage) that the original assessment contributed to the subject properties' total assessment of \$36,458,500. The new values are truncated for assessment purposes.

The Board's decision is based on the following reasons:

- The subject sale is accepted as a valid transaction based upon the signed witness statement and testimonial evidence provided by Mr. Bruce Hamilton, a principle of the subject properties' current owner, Royalcan Developments Limited. The Board is convinced that the subject deal, although not listed in the traditional sense, was represented to the investment community by the owner's agent and the deal completed as an arms-length undertaking.
- The subject sale, although 4 weeks post facto, is accepted by the Board as indicative of the subject properties' market value effective July 1, 2009.
- The Board accepts the Complainant's argument that the subject properties were

purchased as a single suburban office with the intention of consolidating the individual condominium roll numbers into a single title. The subject is not found to be a traditional office condo in the sense that the individual units are not owner occupied but have, for many years, been offered for lease as if part of a collection of income producing properties.

- The subject sales transaction involved the acquisition of a single legal entity (a bare trustee) that held the properties. The Board finds this supportive of the argument that the subject property acted more like a single, income producing entity than multiple, individual, condominium units.
- The Complainant's intention to consolidate the subject properties is supported by Land Title documentation indicating that the subject consolidation occurred on December 14, 2010.
- The Board finds the Total Property Value of the subject (\$25,755,486), as reported on the subject's 2011 Assessment Summary Report (now consolidated under one roll number), to fully support the 2009 sale price of \$28,300,000.

In summary, the Board finds that the 2010 assessments of the subject properties exceed their market value as expressed by their sale price on July 27, 2009. The subsequent consolidation of the subject condominium units into a single roll number and the subsequent assessment of that roll number support the revised assessments as both fair and reasonable.

**Board's Decision:**

The subject assessments are reduced as per Schedule C.

**SCHEDULE C**

Roll Number	Location Address	Hearing Number	Decision
055502306	5 811 MANNING RD NE	57594	1,210,000
055502322	6 811 MANNING RD NE	57594	1,580,000
055502348	7 809 MANNING RD NE	57594	740,000
055502363	8 809 MANNING RD NE	57594	1,365,000
055502389	9 809 MANNING RD NE	57594	1,325,000
055502405	10 807 MANNING RD NE	57594	1,525,000
055502421	11 807 MANNING RD NE	57594	1,575,000
055502520	16 805 MANNING RD NE	57594	1,580,000
055502546	17 803 MANNING RD NE	57594	1,270,000
055502561	18 803 MANNING RD NE	57594	1,365,000
055502587	19 803 MANNING RD NE	57594	1,315,000
055502603	20 801 MANNING RD NE	57594	1,480,000
055502629	21 801 MANNING RD NE	57594	1,550,000
055502645	22 801 MANNING RD NE	57594	1,510,000
055502686	24 802 MANNING RD NE	57594	265,000
055502702	25 802 MANNING RD NE	57594	365,000
055502728	26 4 MANNING CL NE	57594	1,325,000
055502744	27 4 MANNING CL NE	57594	1,400,000
055502769	28 8 MANNING CL NE	57594	1,490,000
055502785	29 8 MANNING CL NE	57594	1,540,000
055502827	31 12 MANNING CL NE	57594	1,295,000
055502843	32 12 MANNING CL NE	57594	1,175,000

DATED AT THE CITY OF CALGARY THIS 24<sup>th</sup> DAY OF AUGUST 2011.

  
**C. McEwen**  
 Presiding Officer

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

<b>NO.</b>	<b>ITEM</b>
1. C1	Complainant Disclosure
2. R1	Respondent Disclosure
3. C2	Complainant Rebuttal

*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.*