

**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:

RW Gibson Holdings Ltd. (as represented by Altus Group Limited), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

L. Patrick, PRESIDING OFFICER

I. Fraser, MEMBER

D. Cochrane, 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:	112142005
LOCATION ADDRESS:	7170 Blackfoot Trail SE
FILE NUMBER:	68315
ASSESSMENT:	\$3,560,000

This complaint was heard on the 22nd day of October 2012 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 4.

Appeared on behalf of the Complainant:

- R. Worthington

Appeared on behalf of the Respondent:

- G. Bell

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

- [1] There were no jurisdictional or procedural matters raised during the hearing.

Property Description:

2 The subject property is located in the Fairview industrial area and consists of a 2.99 acre parcel of land upon which is developed 30,551 square feet of warehouse in two buildings. The 27,254 square foot development age is 1969 and the 3,297 square foot building age is 1970. Site coverage is 23.42 resulting in an excess land component. The total square footage of the 2 buildings is assessed at the rate of \$116.68 per square foot.

Issues:

-Does the assessed value exceed the market value of the subject.

Complainant's Requested Value: \$2,870,000

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

- [2] Complainant's Position. The Complainant submitted one sale comparable being a property in the Burns Industrial district noting that the site coverage is 21% thus there is an excess land component. The remaining key factors are within a reasonable difference and the time adjusted sale price is \$94 per square foot which is the basis for the Complainants

requested assessment value. The 6 equity comparables of the Complainant provide a median assessment per square foot of \$105 resulting in a value of \$3,207,855. When the excess land value of \$205,000 is added to that value the resulting assessment amount would be \$3,410,000 rounded. The range therefore is \$2,870,000 to \$3,410,000 based on the one sale for the lower end of the range to the upper end of the range based on the equity comparables with the land adjustment. In rebuttal the Complainant notes that the ASR values of the Respondent's sales all either exceed or fall short of the acceptable range of 1.05 to .95.

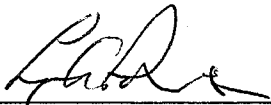
[3] Respondent's Position. The Respondent contends that the direct sales approach is the correct approach for the subject and provided 8 sales comparables noting however that sale number 7 be deleted because of a zoning difference. The sales are with one exception in the central region, range in site coverage from 21.19% to 76.96%, are all older than the subject. Only one is of the approximate same size as the subject in a range from 33,147 square feet to 2,350 square feet. The time adjusted values of the sales range from \$179.71 to \$117.10 per square foot and are offered by the Respondent in support of the assessed rate of \$116.68 per square foot. There are 4 equity comparables set out in Exhibit R-1 however the number 4 comparable is deleted as a result of a change having taken place since the preparation of the exhibit. The range of equity comparables is thus from \$114.46 to \$118.35. per square foot and bracket the assessed subject. The Respondent notes that the upper end of the Complainant's range of values resulting from the equity comparable calculations including the excess land is not challenged and may be the appropriate value.

Board's Decision:

[4] The Board reduces the assessment to \$3,410,000

Reasons: The single sales comparable offered by the Complainant does not of itself establish a market value. The sales comparables submitted by the Respondent contain some obvious questions when considering the key factors contained in their detail such as parcel size and site coverage and of their respective ASRs. The Board put less weight of the Respondent's equity comparables and thus preferred those of the Complainant. With the adjustments to the Complainant's equity comparable calculations and lack of a challenge by the Respondent to the result of that calculation the Board accepts those submissions as carrying the most weight in this decision and finds the correct market value assessment to be \$3,410,000.

DATED AT THE CITY OF CALGARY THIS 13 DAY OF November 2012.



L. Patrick
Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R2	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.*