

**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:

SREIT (WEST NO. 1) 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:	100010701
LOCATION ADDRESS:	1235 64 AV SE
FILE NUMBER:	67855
ASSESSMENT:	\$5,700,000

This complaint was heard on the 23rd 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 is a multi-bay warehouse located near the junction of Glenmore TR SE and Deerfoot TR SE in the Burns Industrial Central region. The site consists of 3 acres and a 1976 building with 60,681 square feet of net rentable area, 51 % office finish and 35.49% site coverage. The assessment rate is \$100 per square foot.

Issues:

- [3] Does the assessed value exceed the market value of the subject?

Complainant's Requested Value: \$4,900,000

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

- [4] Complainant's Position. The Complainant did not present any sales comparables contending there are no market sales of similar type in the immediate market area. The Complainant presented 6 equity comparables 2 of which were withdrawn leaving 4 with a median assessment of \$86 per square foot that being the requested assessment. The range of site coverage is 33% to 41% which brackets the site coverage of the subject at 35.49%. The building area of 60,681 is within the range of the comparables of 50,170 to 95,274 square feet. The Complainant contends that by virtue of the *Bramalea* decision, it is acceptable to seek an adjustment of an assessment based on equity alone in the absence of any market data comparables. The basis for the contention is that the assessment values in the array of equity

comparables are all derived by the assessor from the market in the course of conducting the mass appraisal process. The Complainant notes that the Respondent presents only one sales comparison and that one sale doesn't establish a market thus leaving only the equity comparables of the parties to be considered by the Board in this matter. The Complainant notes there is an exemption applied to 5.9% on the subject and that is not in dispute.

[5] Respondent's Position. The Respondent acknowledged that of the 3 sales comparables presented 2 had to be withdrawn because of zoning differences thereby leaving one sale to be considered by the Board. The Respondent contends that normally one sale does not make a market value on its own but should be considered because it is the only sale before the Board and it is in close similarity to the subject location. Parcel size is 2.96 acres compared to 3.00 acres, and site coverage is 38.86% compared to the subject at 35.48% . The time adjusted sale price is \$108.33 and the median equity comparables value is \$98. The Respondent acknowledges the exemption applied to the subject is agreed at 5.9%.

Board's Decision:

[6] The assessment is confirmed at \$6,062,019 less the exemption resulting in an assessment of \$5,700,00 for this roll number.

Reasons. The Board finds that the question of whether to put weight upon the single sale comparable in this matter is resolved in favour of the Respondent. The similarity of the subject and the comparable are sufficiently close that it supports the equity position of the Respondent to a degree that tips the scale and supports the assessment. In other words the Complainant did not, in relying on the equity argument, establish sufficient reason to discard the sale comparable completely. It is of some value in determining market in this case and supports the assessment.

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
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.*