



**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:**

**Westpen Properties Ltd. (as represented by Linnell Taylor Assessment Strategies),  
COMPLAINANT**

**and**

**The City Of Calgary, RESPONDENT**

**before:**

**R. Fegan, PRESIDING OFFICER  
M. Grace, BOARD MEMBER  
J. Pratt, BOARD 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 2013 Assessment Roll as follows:

<b>ROLL NUMBER:</b>	<b>031024300</b>
<b>LOCATION ADDRESS:</b>	<b>4152 27 ST SE</b>
<b>FILE NUMBER:</b>	<b>71574</b>
<b>ASSESSMENT:</b>	<b>12,440,000</b>

This complaint was heard on 18th day of June, 2013 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:

- J. Mayer (Linnell Taylor Assessment Strategies)

Appeared on behalf of the Respondent:

- M. Hartmann (City of Calgary)

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

- [1] No procedural or jurisdictional matters were raised.

**Property Description:**

- [2] The subject property is a 97,105 square foot multi-bay industrial warehouse, built in 2006. The building is situated on 5.15 acres of land and is zoned I-G.

**Issues:**

- [3] The only issue raised by the complainant is the market value of the subject property.

**Complainant's Requested Value:** \$11,310,000.

**Board's Decision:**

- [4] The complainant is denied and the assessment is confirmed at \$12,440,000.

**Position of the Parties:**

**Complainant's Position:**

- [5] The complainant argued that the assessed value of the subject property should be calculated by taking the average sale price per square foot of a portfolio sale of four similar buildings that sold on July 06, 2011. The average sale price of these four buildings was \$116.49.

In rebuttal to the respondent's evidence the complainant provided a time adjustment study based on rental values which concluded that a 2.6% time adjustment was appropriate.

**Respondent's Position:**

- [6] The assessed value of the subject property had been calculated by the City using multiple regression analysis which included such variables as; building type, building size, building age, percentage of finish, site coverage, location and zoning.

- [7] The respondent provided a list of comparable sales indicating an average sale price of

\$142.41 per square foot, however this list included one sale that was significantly higher than the others. It was confirmed that the sale of 2200 41 AV NE was impacted by approximately 48,000 square feet of refrigerated warehousing and was not sufficiently similar to the subject property. After removing 2200 41 AV NE, from the list the three remaining sales ranged in sale price per square foot from \$88.90 to \$137.76.

**Board's Reasons for Decision:**

[8] The Board found that the assessment per square foot of the subject property fell within the range of both the complainant's sales and the respondent's sales. The Board agrees that the assessment must reflect the characteristics and physical condition of the subject property and should reflect the differences between the subject property and other similar but not identical properties.

[9] The complainant suggested that no time adjustment was necessary and that there was insufficient sales data upon which to base a time adjustment. In rebuttal the complaint included a time adjustment study using a rental analysis indicating an annual time adjustment of 2.6%. The Board found that the complainant's rental analysis did not adequately bracket time frame for which an adjustment was required. The most recent lease in the analysis was dated February 01, 2012, some 5 months prior to the effective date.

[10] The Board found that the sale price per square foot of the four properties which the complainant was relying on was different for each of the four buildings. The sale prices per square foot of those four buildings ranged from \$101.85 to \$129.45. This range in sale price is no doubt related to the variables between the properties. Differences such as land size, building size, site coverage, year of construction, etc. would not be quantified by simply taking the average sale price of these four similar but not identical properties. The Board found the respondent's analysis more accurately reflected the physical characteristics of the subject property.

DATED AT THE CITY OF CALGARY THIS 16<sup>th</sup> DAY OF July 2013.

  
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R. Fegan  
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. 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.*