



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 Colliers International Realty Advisors),

COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

T. Golden, PRESIDING OFFICER

D. Julien, BOARD MEMBER

D. Morice, 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:

ROLL NUMBER: 054014402

LOCATION ADDRESS: 3320 14 AV NE

FILE NUMBER: 71636

ASSESSMENT: \$4,640,000

This complaint was heard on 28 day of August, 2013 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- *T. Howell*

Appeared on behalf of the Respondent:

- *G. Foty*

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

- [1] There were no procedural matters.

Property Description:

The subject property contains 2 multi bay warehouse structures located on 2.55 acres of land. The structures are 19,512 square feet (sq. ft.) and 25,830 (sq ft) of C+ quality constructed in 1980. The assessment was prepared using the Direct Sales method. Influences were applied for topography, traffic expressway, and corner lot none of which have been challenged.

Issues:

Issue 1; has the Direct Sales Method used by the City Assessment Unit and applied to the subject property developed an accurate market value?

Complainant's Requested Value: \$4,260,000

Board's Decision:

- [2] The assessment on the subject property is confirmed at **\$4,640,000**

Board's Decision on Issue 1

- [3] The Direct Sales Method used by the City Assessment Unit and applied to the subject property has developed an accurate market value

Position of the Parties

Complainant's Position:

[4] The Complainant introduced three sales comparables that were understood to be similar to the subject property. The sale comparables were similar in size of the structures, land area, site coverage and building quality. Time adjusted sales rates were reported between \$79.67 per sq. ft. and \$113.65 per sq. ft. and had an average value of \$93.50 per sq. ft. The complainant rounded the value to \$94.00 per sq. ft. and this acted as the basis for the requested assessment.

Respondent's Position:

[5] The Respondent firstly addressed the Complainants sales comparables then discussed the sales comparables used to develop the assessment. The Respondent then went on to discuss the applicability of the sales comparables suggesting that 2 of the 3 sales cannot be considered in evaluating the subject property.

[6] Comparable 1 at 3651 21 St NE is the sale of a single warehouse structure and therefore not similar to the subject. It is also noted that the property sale price may have been depressed because of some deferred maintenance issues.

[7] The sale at 4826 11 ST NE is the sale of a single warehouse structure and therefore not similar to the subject. The structure may also be a lesser quality than the subject.

[8] Comparable 3 at 2820 3 AV NE is a reasonable sale of multiple buildings and supports the assessment with a sale rate of \$113.65 per sq. ft.

Board's Reasons for Decision:

[9] The Board gave little weight to two of the three comparables of the Complainant and the third comparable supported the assessment. The Complainant did not provide any substantial evidence the assessment was in error. The Comparables at 3651 21 St NE and 4826 11 ST NE are for single buildings and not comparable to the subject as the Board accepts that there is a difference in the values of multiple structures as opposed to single buildings and places weight on the Respondent's method of calculating the assessment and explanation surrounding the cost of construction. The one sale at 2820 3 AV NE used by the Complainant and accepted by the board has a rate of at \$113.00 per sq. ft. and supports the \$122.00 per sq. ft. assessed value. The value is more supportive of the assessment given the fact that the one building on this comparable is referred to as an out building and therefore of less value.

[10] The Board finds that the Complainant was unable to demonstrate that the assessment was in error. However the Respondent had a particularly good comparable at 2801 18 ST NE which although had less lot area and a better site coverage had a much higher sale price of \$174.39 sq. ft supporting the assessment.

DATED AT THE CITY OF CALGARY THIS 8th DAY OF October 2013.



Tom Golden

Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	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.*

Roll	Address	Subject	Issue	Detail	Sub Detail
054014402	3320 14 AV NE	Warehouse	Multiple Tenant	Cost/sales	Comparables Improvement value