



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:

Ruebenach Properties LTD. (as represented by Altus Group Limited), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

T. Golden, PRESIDING OFFICER

R. Deschaine BOARD MEMBER

D. Julien 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: 154092506

LOCATION ADDRESS: 2099 146 Av SE

FILE NUMBER: 72125

ASSESSMENT: \$1,960,000

This complaint was heard on the 7th day of October, 2013 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 1.

Appeared on behalf of the Complainant:

- *K. Fong, D. Main*

Appeared on behalf of the Respondent:

- *I. Pau*

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

- [1] There were no preliminary issues

Property Description:

[2] The subject is a neighbourhood strip mall built in 1981 and is a C quality. The 12,266 square feet (sq. ft.) improvement is located on a 1 acre site. An assessment was prepared using the Income Approach to valuation.

[3] **Issues**

[4] **Issue 1:** In the CRU categories of; 0 to 1000 sq. ft., and the 1001 to 2500 sq. ft., have the correct rental rates been applied?

Complainant's Requested Value: \$1,790,000

Board's Decision: The assessment is confirmed at **\$1,960,000**

Board's decision on issue 1: Of CRU categories for; 0 to 1000 sq. ft., and 1001 to 2500 sq. ft., have the correct rental rates have been applied?

Position of the Parties

Complainant's Position:

[5] With each of the tables of leases submitted in support of the various rental rate requests the Complainant used leases from strip malls in closer proximity and more similar than the Respondent. These leases were much more representative of the subject.

[6] For CRU categories 0 to 1000 sq. ft. the Complainant presented a table of 8 leases on pg. 35 of C-1. These leases have a median of \$11.09 sq. ft. and support the request rather than the \$14.00 per sq. ft. assessed rate.

[7] For the CRU category 1001 to 2500 sq. ft. the Complainant presented 14 C quality strip mall leases are presented in a table on pg. 36. These leases illustrate rates with a median of \$11.00 per sq. ft. as opposed to the assessed value of \$14.00 per sq. ft. The two requested rates were used in the income calculation to arrive at the requested assessment

[8] In C-2 rebuttal the Complainant pointed out that the Respondent did not defend the assessment and did not use the entire data bases of leases.

Respondent's Position

[9] In the rent rate discussion for CRU 0 to 1000 sq. ft., the Respondent chose to respond to the evidence provided by the Complainant rather than defending the assessment with all the information that was part of the development of the assessment. Although the Respondent provided only three leases out of which 1 was post facto, the lease dates indicate an upward trend in rates ranging from \$13.25 per sq. ft. to \$15.00 per sq. ft. with a median of \$14.82 per sq. ft. which supports the assessed rate

[10] For the CRU rental rate 1001 to 2500 sq. ft. the Respondent provided leases indicating a range of rental rates 13.00 to 14.25 per sq. ft. again supporting the assessed rate.

Board's Reasons for Decision on issue 1

[11] In the Complainant's evidence the CRU 0 to 1000 sq. ft. 7 of 8 leases were from one property and one lease is from the subject. The Board finds that this may reflect an actual rent rates as opposed to typical rent. The Respondent provided the Board with a range of values of C quality strip malls from a more representative area of the quadrant. The Respondent's tables are not intended to be exhaustive as suggested in C-2 pg 10. On the table in R-1 pg. 30 the Board recognizes one lease is post facto but is an indicator of value and this supports the assessed rate. The Board is of the opinion there is insufficient reason to vary the assessed rental rate.

[12] The Respondent's lease comparables for CRU 1001 to 2500 sq. ft. supports the rate of \$13.00 per sq. ft. The Board confirms the assessment.

DATED AT THE CITY OF CALGARY THIS 26th DAY OF November 2013.



Tom Golden

Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. C-2	Complainant Rebuttal
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
154092506	2099 146 AV SE	Strip mall	Income	Rental rate	