



## **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

***Gruene, Markus; Sonnemann, Erik; Hartner, Ulf***  
***(as represented by Altus Group Ltd.), COMPLAINANT***

and

***The City Of Calgary, RESPONDENT***

before

***L. Yakimchuk, PRESIDING OFFICER***  
***R. Kodak, BOARD MEMBER***  
***J. Rankin, 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:** 100003102  
**LOCATION ADDRESS:** 5726 Burleigh Cr SE  
**FILE NUMBER:** 72610  
**ASSESSMENT:** \$5,440,000

This complaint was heard July 23, 2013 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- *D. Mewha, Altus Group*

Appeared on behalf of the Respondent:

- *J. Tran, City of Calgary Assessor*

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

- [1] There were no procedural or jurisdictional matters.

**Property Description:**

- [2] The subject property has been assessed as a 55,904 square foot (sf) multi-tenant Industrial Warehouse in the Central Industrial area of Calgary, built in 1972 on 2.55 acres (A) of Industrial-General (I-G) land.

**Issues:**

- [3] Is the assessed value of this property equitable with other similar properties?
- [4] Does the assessed value of this property reflect Market Value based on Sale comparisons?

**Complainant's Requested Value: \$4,690,000.**

**Board's Decision:**

- [5] The Board confirms the assessment at \$5,440,000.

**Legislative Authority, Requirements and Considerations:**

The Composite Assessment Review Board (CARB) derives its authority from the Municipal Government Act (MGA) RSA 2000 Section 460.1:

- (2) Subject to section 460(11), a composite assessment review board has jurisdiction to hear complaints about any matter referred to in section 460(5) that is shown on an assessment notice for property other than property described in subsection (1)(a).

For the purposes of this hearing, the CARB will consider MGA Section 293(1)

In preparing an assessment, the assessor must, in a fair and equitable manner,

- (a) apply the valuation and other standards set out in the regulations, and
- (b) follow the procedures set out in the regulations.

Matters Relating to Assessment and Taxation Regulation (MRAT) is the regulation referred to in MGA Section 293(1)(b). The CARB decision will be guided by MRAT Section 2, which states that

An assessment of property based on market value

- (a) must be prepared using mass appraisal,
- (b) must be an estimate of the value of the fee simple estate in the property, and
- (c) must reflect typical market conditions for properties similar to that property.

and MRAT Section 4(1), which states that

The valuation standard for a parcel of land is

- (a) market value, or
- (b) if the parcel is used for farming operations, agricultural use value.

### **Position of the Parties**

#### **Complainant's Position:**

[6] The Complainant, D. Mewha, Altus, argued that the subject property was assessed inequitably when compared to other properties with similar total assessable area and other similar qualities.

[7] The Complainant provided a list of properties that had been sold in 2011 and 2012 which he compared to the subject. Their assessable building areas ranged from 52,060 sf to 80,170 sf and they were built on 2.01 A to 5.6 A of land. Two were multi-tenant properties and one was a single tenant property. Their Time Adjusted Sale Prices (TASPs) ranged from \$89/sf to \$98/sf and their Assessments ranged from \$87/sf to \$115/sf.

#### **Respondent's Position:**

[8] J. Tran, City of Calgary Assessor, presented an Industrial Equity chart of single multi-tenanted industrial warehouses which included buildings 46,214 sf to 63,840 sf in size on 2.39 A to 5.61 A of land. The assessed rates for these warehouses was \$98.83/sf to \$114.76/sf with a median of \$106.64/sf.

[9] The Respondent also presented an Industrial Sales chart which included the three sales the Complainant used as well as three other sales. The TASP for the six sales was \$102.27/sf.

#### **Rebuttal:**

[10] In Rebuttal, D. Mewha argued that the City of Calgary had suggested comparable properties which were not always comparable to the subject property. He recommended that the Board use the three properties the Respondent and the Complainant used in common.

**Board's Reasons for Decision:**

[11] The Board considered the Equity and Sales Comparables presented by the Complainant and by the Respondent. The Board noted that one of the properties on the Respondent's Sales list was a C-COR property and the remaining properties were all I-G like the subject. Another property on the same list was built in 1998 and a third was almost half the size of the subject. The three remaining comparables were common to both the Complainant's and the Respondent's evidence. These three properties were assessed at an average rate of \$96/sf (median \$87/sf).

[12] The TASP's of the three properties had a mean value of \$95/sf, considerably higher than the Complainant's request of \$84/sf. This value supports the assessment of \$97/sf.

[13] The Board confirms the assessment at \$97/sf.

DATED AT THE CITY OF CALGARY THIS 29 DAY OF August 2013.



**Lana Yakimchuk**

**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. R1	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.*

<b>Appeal Type</b>	<b>Property Type</b>	<b>Property Sub-type</b>	<b>Issue</b>	<b>Sub-Issue</b>
CARB	Warehouse	IWM	Sales Approach	Comparables