



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:

Eastlake Place Inc.
(as represented by Altus Group Ltd.), COMPLAINANT

and

The City of Calgary, RESPONDENT

before:

J. Dawson, PRESIDING OFFICER
J. Massey, BOARD MEMBER
P. Charuk, BOARD MEMBER

This is a complaint to the Calgary Composite Assessment Review Board [*CARB*] 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:	201151412
LOCATION ADDRESS:	11056 48 ST SE
LEGAL DESCRIPTION:	Plan 0714070; Block 16; Lot 10
FILE NUMBER:	72894
ASSESSMENT:	\$ 7,380,000

This complaint was heard on the 2nd day of July, 2013 at the office of the Assessment Review Board [ARB] located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- *D. Mewha* *Agent, Altus Group Ltd.*

Appeared on behalf of the Respondent:

- *I. McDermott* *Assessor, City of Calgary*

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

- [1] There are no preliminary, procedural, or jurisdictional issues.

Property Description:

[2] The subject is an Industrial Warehouse – Single-tenant [IWS] building constructed in 2011 with a footprint of 48,544 square feet and 48,544 assessable square feet of which 12% is finished. Utilising 2.95 acres of land, calculating site coverage of 37.83%, the subject is located in the Non-Residential Zone [NRZ] of DU1 – Dufferin. It has been assessed using the Direct Sales Comparison approach arriving at a value of \$152.03 per square foot.

Issues:

[3] The single issue before the Board is the assessed value with the value per square foot being the focus of the presentations.

Complainant's Requested Value: \$ 6,310,000

Board's Decision:

[4] The Board found the assessment to be correct and confirmed the assessed value of \$7,380,000.

Position of the Parties

Complainant's Position:

[5] The Complainant presented four sales of comparable properties deriving an unadjusted median of \$129 per square foot and an average (mean) of \$131 per square foot. Time adjustments, using the Respondent's calculations, were provided. However, the Complainant based the requested assessment on the unadjusted values (C1 p. 10):

- I. 4410 46 AV SE utilises 2.63 acres of land equating to 49% site coverage, has 60,700 square feet of assessable area and was built in 1999 with 14% office finish. This property sold in July 2011 for a value of \$106 per square foot with a time adjusted value of \$113 per square foot.
- II. 5380 72 AV SE utilises 3.76 acres of land equating to 19% site coverage, has 33,400 square feet of assessable area and was built in 2000 with 17% finish. This property sold in May 2011 for a value of \$148 per square foot with a time adjusted value of \$163 per square foot.
- III. 4390 106 AV SE utilises 3.58 acres of land equating to 28% site coverage, has 46,560 square feet of assessable area and was built in 2006 with 16% finish. This property sold in January 2012 for a value of \$161 per square foot with no time adjustment.
- IV. 4311 122 AV SE utilises 1.45 acres of land equating to 39% site coverage, has 28,780 square feet of assessable area and was built in 2004 with 10% finish. This property sold in June 2011 for a value of \$109 per square foot with a time adjusted value of \$112 per square foot.

[6] The Complainant provided four equity comparables showing a median and average (mean) values close to the subject concluding an assessed value of \$141 per square foot for the comparables (C1 p.11).

[7] The Complainant concluded that \$130 per square foot is the correct assessment for the subject calculating a truncated value of \$6,310,000.

Respondent's Position:

[8] The Respondent provided five sales, of which four are common with the Complainant. The Respondent asserted that time adjustments must be done. The five sales, when adjusted, calculate a median of \$143.90 and a average (mean) of \$146.49, which the Respondent concludes, supports the assessment (R1 p. 19):

- I. 4410 46 AV SE utilises 2.63 acres of land equating to 49.24% site coverage, has 60,700 square feet of assessable area and was built in 1999 with 14% office finish. This property sold in July 2011 with a time adjusted value of \$112.55 per square foot.
- II. 5380 72 AV SE utilises 3.76 acres of land equating to 18.56% site coverage, has 33,400 square feet of assessable area and was built in 2000 with 18% finish. This property sold in May 2011 with a time adjusted value of \$162.69 per square foot.
- III. 4390 106 AV SE utilises 3.58 acres of land equating to 27.64% site coverage, has 46,560 square feet of assessable area and was built in 2006 with 16% finish. This property sold in January 2012 for a value of \$143.90 per square foot with no time adjustment.
- IV. 5735 53 ST SE utilises 3.55 acres of land equating to 17.25% site coverage, has 29,828 square feet of assessable area and was built in 1998 with 32% finish. This property sold in November 2011 for a value of \$201.15 per square foot with no time adjustment.
- V. 4311 122 AV SE utilises 1.45 acres of land equating to 39.00% site coverage, has 28,780 square feet of assessable area and was built in 2004 with 10% finish. This

property sold in June 2011 with a time adjusted value of \$112.15 per square foot.

[9] The Respondent provided six equity comparables concluding an assessed value of \$152 per square foot for the subject is correct (R1 p. 21).

Board's Reasons for Decision:

[10] The Complainant and the Respondent had four sales comparables in common. The third sale on each list was a property at 4390 106 AV SE that had common features with the subject; parcel size, building size, non-residential zone, finish and year of construction were all similar. This sale sold during the valuation year on January 31, 2012 for \$7,500,000 or \$161.33 per square foot (C1 p. 19). The Respondent discounted this sale and arrived at a value of \$143.90 per square foot. On the balance of probabilities the subject appears to be assessed correctly at \$152.03 per square foot.

[11] In addition to sales comparables supporting the assessment, the Board found the equity evidence from the Respondent to be convincing and support the current assessment of \$7,380,000.

[12] With sales and equity evidence to support the assessment, the Board confirmed the current assessment.

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



Jeffrey Dawson,
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.*

Municipal Government Board use only: Decision Identifier Codes				
Appeal Type	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Warehouse	Warehouse Single Tenant	Sales Approach	Land and Improvement Comparables