



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:

***Rentway Ltd., c/o Penske Truck Leasing
(as represented by Altus Group Ltd.), COMPLAINANT***

and

The City of Calgary, RESPONDENT

before:

***L. Wood, PRESIDING OFFICER
J. Rankin, 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:	097014930
LOCATION ADDRESS:	6215 48 ST SE
FILE NUMBER:	72940
ASSESSMENT:	\$3,320,000

This complaint was heard on 19 day of June, 2013 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 4.

Appeared on behalf of the Complainant:

- M. Robinson Agent, Altus Group Ltd.

Appeared on behalf of the Respondent:

- K. Cody Assessor, City of Calgary
- J. Tran Assessor, City of Calgary

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

[1] The Complainant withdrew the issue related to sections 299 and 300 of the Act. He indicated that the Respondent had complied with the request in this instance.

Property Description:

[2] The subject property is a single tenant warehouse located in Foothills Industrial. The assessable building area is 11,079 sq. ft. and it is situated on 3.02 acres. The land use designation is I-G, Industrial General. The building was constructed in 1989; has a finish percentage of 22% and a site coverage ratio of 8.42%. A land adjustment was applied to 2.17 acres, valued at \$1,270,739 or \$585,000/acre. The subject property was assessed based on the direct sales comparison approach and has an overall value of \$300 psf.

Issues:

[3] The issues for the complaint were identified as follows:

- a) The assessment of the subject property is in excess of its market value for assessment purposes.
- b) The aggregate assessment per square foot applied to the subject property does not reflect market value for assessment purposes when using the direct sales comparison approach.

Complainant's Requested Value: \$1,990,000

Board's Decision: The assessment is revised to \$3,100,000.

Position of the Parties:**Complainant's Position:**

[4] The Complainant submitted three sales comparables of single tenant warehouses in support of his request (Exhibit C1 page 14). The sales occurred in July 2010 – June 2012. The warehouses were built in 1981 – 2003; have assessable building areas of 11,080 – 15,000 sq. ft.; parcel sizes of 2.0 – 4.1 acres; site coverage ratios of 8% - 9%; and finish percentage of 6% – 21%. The unadjusted sale price was \$153 - \$248 psf, a median of \$180 psf and a time adjusted sale price ("TASP") of \$153 - \$281 psf, a median of \$183 psf. The Complainant disagreed with the Respondent's time adjustment analysis and corresponding time adjusted assessment to sales ratio analysis ("TASR") but did not substantiate his claims.

[5] In rebuttal, the Complainant argued two of the Respondent's comparables are distinguishable from the subject property, specifically the property located at 3652 44 AV SE based on its physical attributes and 5545 52 AV SE based on its sale type (i.e. business transaction) (Exhibit C2 pages 4 – 7; Exhibit R1 page 15).

Respondent's Position:

[6] The Respondent submitted four sales comparables of single tenant warehouses to support the subject property's overall assessment of \$300 psf (Exhibit R1 page 15). The sales occurred in July 2010 – June 2012. The warehouses were built in 1981 – 1999; have assessable building areas of 8,200 – 14,250 sq. ft.; parcel sizes of 2.0 – 4.33 acres; site coverage ratios of 3.0% – 10.33%; and finish percentage of 6% – 82%. The time adjusted sale price was \$2,000,000 to \$4,800,000 or \$243.90 to \$359.82 psf (TASP). The Respondent identified assessable building area, year of construction and site coverage as significant factors when valuing a property as opposed to finish and building type.

[7] The Respondent submitted five industrial land sales (I-G) located throughout the SE quadrant in support of the land adjustment of \$1,270,739 or \$585,000/acre that was applied to 2.17 acres of the subject property (Exhibit R1 page 16). The sales occurred in August 2010 – May 2012. The parcel sizes ranged between 0.90 – 3.67 acres. The time adjusted sale price for 2013 was \$523,210 to \$2,198,718 or \$581,224 to \$608,384/acre.

[8] The Respondent submitted three sales of single tenant warehouses to support the rate of \$185.30 psf applied to the subject property's improvement and underlying land as if it had a typical site coverage ratio of 30% (Exhibit R1 page 17). The sales occurred in January 2010 – November 2011. The warehouses were built in 1979 – 1998; have assessable building areas of 10,080 – 14,960 sq. ft.; parcel sizes of 1.0 – 1.18 acres; site coverage ratios of 19.11% – 25.72%; and finish percentage of 35% – 40%. The time adjusted sale price was \$2,139,158 to \$2,600,000 or \$173.80 to \$217.66 psf (TASP).

[9] The Respondent argued that less weight should be attributable to two of the Complainant's sales comparables: 3355 48 AV SE has a discrepancy in the reported square footage and 4076 96 AV SE, which is located in South Foothills, is in an area in which properties generally sell for less due to the lack of services and local improvement levy (Exhibit R1 pages 4, 36 – 44).

Legislative Authority:**Decisions of assessment review board**

467(1) An assessment review board may, with respect to any matter referred to in section 460(5), make a change to an assessment roll or tax roll or decide that no change is required.

(2) An assessment review board must dismiss a complaint that was not made within the proper time or that does not comply with section 460(7).

(3) An assessment review board must not alter any assessment that is fair and equitable, taking into consideration

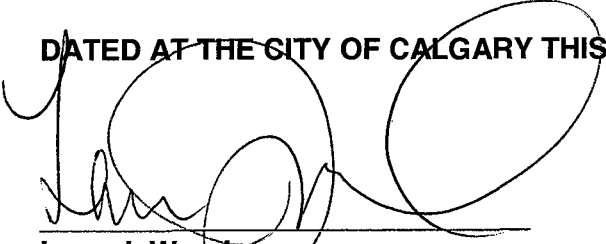
- (a) the valuation and other standards set out in the regulations,
- (b) the procedures set out in the regulations, and
- (c) the assessments of similar property or businesses in the same municipality.

Board's Reasons for Decision:

[10] The Board finds the best sales comparable, as shared by both parties, is the property located at 5420 53 AV SE. It is almost identical to the subject property in terms of assessable building area, lot size, site coverage, and finish percentage. It sold in July 2010 for \$2,750,000 which the Respondent had time adjusted to \$3,114,080 or \$281.05 psf. Given its similarities, the Board finds it provides the best indication of value for the subject property. As such, the Board finds the rate of \$280 psf is more appropriate to apply to the subject property's assessment and has applied that rate as follows:

11,079 sq. ft. x \$280 psf = \$3,102,120, truncated to \$3,100,000

DATED AT THE CITY OF CALGARY THIS 18 DAY OF July 2013.



Lana J. Wood
Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. C2	Complainant's Rebuttal
3. 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.*

FOR ADMINISTRATIVE USE

Subject	Property Type	Property Sub -Type	Issue	Sub - Issue
CARB	Warehouse	Warehouse Single Tenant	Sales Approach	