



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:

**HAMPTON DEVELOPMENT LTD.,
(as represented by Altus Group),
COMPLAINANT**

and

**The City Of Calgary,
RESPONDENT**

before:

**R. Glenn, PRESIDING OFFICER
H. Ang, BOARD MEMBER
J. Massey, 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 2014 Assessment Roll as follows:

ROLL NUMBER:	101008209
LOCATION ADDRESS:	423-58th Ave SE
FILE NUMBER:	74597
ASSESSMENT:	\$3,880,000

This complaint was heard on Wednesday, the 25th day of June, 2014 at the offices of the Assessment Review Board located at Floor Number 4, at 1212 – 31 Avenue NE, Calgary, Alberta, in Boardroom 4.

Appeared on behalf of the Complainant:

- D. Mewha, Agent, Altus Group

Appeared on behalf of the Respondent:

- J. Tran, Assessor, The City of Calgary

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

[1] There were no questions of Jurisdiction or Procedure raised prior to, or during the hearing. There were no objections to the composition of the Board.

Property Description:

[2] The subject property is a 1.41 acre parcel of land with a one building improvement and demised into five units, Year of Construction (YOC):1963, "C-" quality warehouse building, comprising a total of 23,220sf (square feet), with the building having an 8% finish (there is some dispute as to this number), a total site coverage of 37.64%, and a land use designation of C-COR3, located in the Manchester Industrial Area.

Issue:

[3] Whether or not the subject property has been equitably assessed.

Complainant's Requested Value: \$3,270,000

Board's Decision:

[4] The Board reduced the assessment of the subject to: \$3,360,000.

Complainant's Position:

[5] The Complainant presented a chart of seven sales comparables, and a chart of seven equity comparables along with details. The property located at 6225-Centre St SW was designated as a "best sales comparable". This property also had a C-COR land use designation, as did two other comparables. The subject had a land area of 1.41 acres, and the best sales comparable had 2.38 acres, with the others having more land than the subject. The subject had 23,220sf of Assessable Building Area, with the best comparable having 39,116 sf with most of the other comparables having more area than the subject.

[6] The best sales comparable had a YOC of 1967, whereas the subject was built in 1963. The subject had a site coverage of 38%, with the best sales comparable having a 39% coverage, and the others having varying amounts of site coverage. The subject had an 8% finish, whereas the best sales comparable had an 18% finish, with the others having varying amounts, some more finish, some less.

[7] The subject had a 2014 assessment of \$167/sf, and the sales comparables had a median sale price of \$141/sf and an average of \$140/sf. The median of their Time Adjusted Sale Price (TASP) was \$143/sf, and their average was \$146/sf. The sales comparables' for the 2014 Assessment had a median of \$148/sf and an average of \$157/sf.

[8] The Complainant did not designate a "best equity comparable". There was not a lot argued using the equity comparables, however, the subject assessment per square foot was \$167/sf, with the median assessment being \$131/sf and the average at \$128/sf. The Complainant argued that properties with a C-COR designation had a premium rate attached to them which the Complainant said was excessive.

Respondent's Position:

[9] The Respondent provided a chart of five Industrial Warehouse sales comparables, with four of these sales comparables being the same as the Complainant's comparables. Two of the comparables were multi-tenant, as with the subject. The Respondent also commented on the fact that if a building is multi-tenant alone, that is "not a factor to make the price go down". In addition, two of these comparables had a C-COR land use designation.

[10] All of the Respondent's comparables had a larger parcel size than the subject. Four of the equity comparables had an assessable building area which was larger than the subject, and one was only slightly smaller.

[11] The percentage of finish of the subject was 8%, with all of the comparables having a much larger percentage of finish.

[12] The subject property had a site coverage of 37.64%, while three of the comparables had a slightly larger site coverage, and two were slightly smaller. The subject demonstrated a rate per square foot of \$167.42/sf, whereas one of the comparables was almost exactly the same as the subject, one was slightly larger, the others somewhat smaller.

[13] The Respondent provided a chart of five equity comparables, all of which had a C-COR land use designation. Where the subject had a land area of 1.41 acres, the equity comparables had a median of 1.79 acres. The comparables had a median assessable building area of 22,721sf, whereas the subject had 23,220sf.

[14] Where the subject had a finish of 8%, the comparables had a median of 34% finish. The subject had a site coverage of 37.64%, and the comparables had a median site coverage of 39.29%. The rate per square foot of the subject was \$167.42/sf, and the median of the comparables was \$171.91/sf.

Board's Reasons for Decision:

[15] Both of the parties presented sales and equity comparables with appropriate details. Based on all of the argument and evidence presented during the hearing, the Board determined that there was enough evidence presented by the Complainant to convince the Board that a reduction was warranted.

[16] In essence, the Board found the Complainant's comparables to be superior in that they more closely resembled and addressed the characteristics of the subject property. In addition, the Board agrees that the rate attached to the C-COR designation was excessive, however, they also acknowledge that none of the C-COR properties have traded recently.

[17] The onus was on the Complainant to convince the Board of the need to reduce the subject assessment. The Board was convinced that the need for a reduction had been adequately demonstrated by the evidence of the Complainant.

[18] Accordingly, the subject assessment is herewith reduced to the amount of \$145/sf, or, rounded to the amount of \$3,360,000.

DATED AT THE CITY OF CALGARY THIS 13 DAY OF August 2014.



R. Glenn
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.

For Administrative Use Only

Appeal Type	Property Type	Property Sub-type	Issue	Sub-issue
CARB	Warehouses	Multi-Tenant	Market Value	Comparables