



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:

763892 Alberta Ltd.

(as represented by Assessment Advisory Group Inc.), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

C. Griffin, PRESIDING OFFICER

A. Huskinson, BOARD MEMBER

J. Lam, BOARD MEMBER

This is a complaint to the Composite 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: 200906501

LOCATION ADDRESS: 8420 - 26 Street SE

FILE NUMBER: 75874

ASSESSMENT: \$4,480,000.

This complaint was heard on 18th day of August, 2014 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 8.

Appeared on behalf of the Complainant:

- S. Cobb (Agent - Assessment Advisory Group Inc.)

Appeared on behalf of the Respondent:

- D. Kozak (Assessor – City of Calgary)

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

[1] There were no matters related to Procedure or Jurisdiction brought forward by either party.

Property Description:

[2] According to the Property Assessment Detail Report (Exhibit C1, pg. 7) the subject property is a single tenanted warehouse property that was originally constructed in 1992 and which contains a total assessable area of 35,603 Sq. Ft. The property has a site of 1.67 acres and it is located in the Shepard Industrial area of southeast Calgary.

Issues:

[3] The Complainant brought forward the following issue to be considered by the CARB:

- 1) The subject property is currently assessed, as a result of application of the Sales Approach, at \$126/Sq. Ft. The Complainant maintains that the assessed value is not representative of Market Value nor is it equitable with similar properties in close proximity.

Complainant's Requested Value: \$4,270,000.

Board's Decision:

[4] The Assessment is **Confirmed** at **\$4,480,000.**

Position of the Parties

Complainant's Position:

[5] The Complainant contends that the assessment of the subject property is too high and in support of this contention introduced (Exhibit C1 pg. 9) a Comparable Analysis Chart which shows summary information pertaining to 4 equity comparables and 9 sales comparables. All of the equity comparables, except one, are properties located in the Foothills Industrial area while the fourth property is located in Sheppard Industrial which is where the subject is located. All

four of the comparables are a 'C' class quality and all have a Land Use Designation of I-Gen. The buildings range in size from approximately 19,960 Sq. Ft. to approximately 48,000 Sq. Ft. which brackets the 35,603 Sq. Ft. size of the subject. All of the equity comparables have finished areas ranging from a low of 9.9% to a high of 17% compared to the subject at 5.30%. The year of construction for the comparables ranges from 1973 to 1976 while the subject was constructed in 1992. The site coverage of these comparables ranges from 30% to 53% versus 46% for the subject. The Median assessed value/Sq. Ft. of these equity comparables is \$109/Sq. Ft. compared to \$126/Sq. Ft. for the subject.

[6] The 9 sales comparables put forth by the Complainant are all located in the Foothills Industrial area of the city and all have the same I-Gen Land Use Designation as the subject. The sales were recorded between Dec. 2010 and May 2013 and the unadjusted sales indication range from \$69/Sq. Ft. of building area to \$148/Sq. Ft. of building area. Six of the nine sales comparables are 'C' or 'C+' quality, two are of 'B' quality and one is 'A-' quality. The building sizes range from 24,255 Sq. Ft. to 53,186 Sq. Ft. Based upon this information together with the equity comparable data, the Complainant requests the assessed value be reduced to \$4,270,000 equating to approximately \$120/Sq. Ft. of building area.

Respondent's Position:

[7] The Respondent provided (Exhibit R1 pg. 8) a Equity chart with four (4), excluding the subject which was inadvertently included, comparable properties. These comparables are all very close to both the site and building size of the subject property. The year of construction range from 1991 to 2007 versus 1992 for the subject. The site coverage ranges from 29.34% to 48.17% which brackets the 46.27% of the subject. None of the equity comparables are located within the same Sheppard Industrial area of the subject. The assessed rate per Sq. Ft. of building area ranges from \$135.23 to \$161.43 compared to the subject at \$126/Sq. Ft.

[8] The Respondent further introduced (Exhibit R1 pg. 7) a Sales Comparable Chart with 5 comparable properties. These comparables are all very close to the site size of the subject and the building sizes range from 18,432 Sq. Ft. to 35,398 Sq. Ft. versus the subject at 35,603 Sq. Ft. The sales were recorded between Dec. 2010 and May 2013 and the Time Adjusted Sales Price (TASP) range from a low of \$119.36/Sq. Ft. to \$180.02/Sq. Ft. The Respondent contends that this information together with the equity comparable data they produced support the current assessed value.

Board's Reasons for Decision:

[9] The only equity comparable the Complainant had from the same Sheppard location as the subject is a 'C' quality as opposed to the 'B' quality of the subject and it is some 17 years older than the subject so it is not surprising to the CARB that the assessed value/Sq. Ft. is approximately \$7/Sq. Ft. less than the subject. In terms of the sales comparables, the CARB notes that the Complainant has not applied any time adjustments to any of the sales which makes it difficult for the CARB to make a comparison between the sales evidence of the Complainant compared to the sales evidence of the Respondent.

[10] As a result of the foregoing the CARB is of the judgment that the Complainant has failed to provide sufficient evidence to warrant a reduction on the assessed value of the subject property.

DATED AT THE CITY OF CALGARY THIS 10th DAY OF September 2014.



C. J. Griffin

Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure Part 1
2. C1A	Complainant Disclosure Part 2
3. C1B	Complainant Disclosure Part 3
4. 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.*

CARB Identifier Codes

Decision No. 75874P-2014			Roll No. 200906501	
<u>Complaint Type</u>	<u>Property Type</u>	<u>Property Sub-Type</u>	<u>Issue</u>	<u>Sub-Issue</u>
CARB	Industrial	Single tenant warehouse	Market Value	Equity

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