

**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-26.1, Section 460(4).

**between:**

**Assessment Advisory Group Ltd., COMPLAINANT**

**and**

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

**before:**

J. Noonan, **PRESIDING OFFICER**

P. Charuk, **MEMBER**

R. Glenn, **MEMBER**

This is a complaint to the Calgary Assessment Review Board in respect of Property assessment prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

<b>ROLL NUMBER:</b>	101011302	101040509
<b>LOCATION ADDRESS:</b>	6004 Centre St SE	6212 Centre St SE
<b>HEARING NUMBER:</b>	58569	58572
<b>ASSESSMENT:</b>	\$2,360,000	\$1,810,000

This complaint was heard on the 2nd day of November, 2010 at the office of the Assessment Review Board located at the 4<sup>th</sup> Floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- T. Howell, Commercial Property Tax Agent – Assessment Advisory Group Ltd.

Appeared on behalf of the Respondent:

- G. Bell, Assessor - *The City of Calgary*

**Property Description:**

The subjects are located at 6004 and 6212 Centre St SE, Calgary. Both are improved industrial properties in the Manchester area, owned by the same party, and the hearing dealt with both properties. 6004 Centre St has two buildings of 4500 and 6000 sq.ft. dating to 1959 and 1981, covering 28% of a .86 acre lot. The assessed value is \$2,360,000. The parcel at 6212 Centre St. has a net rentable area of 11,070 sq.ft. built in 1971 and covers 53.65% of .47 acre. The assessed value is \$1,810,000.

**Issue:**

Are the subjects assessed at greater than their market value?

**Board's Findings in Respect of Each Matter or Issue:**

The Complainant brought forward four sales comparables and made adjustments for date of sale, size of improvement, lot size, and year of construction where appropriate to arrive at an adjusted average sales price per sq.ft. In the case of 6004 Centre St., it was argued that the average rate should be \$130 per sq.ft. or \$1.37 million; for 6212 Centre St. an average rate of \$148 per sq.ft. was determined, to support the request of \$1.64 million.

The Respondent presented 11 sales comparables of properties ranging from 4100 sq.ft. of improvement to 12,000 sq.ft. Equity comparables were also presented.

The Composite Assessment Review Board (CARB) saw support for the assessments in the equity comparables, but did not dwell on this point as the Complainant's case was based on market value supported with sales evidence.

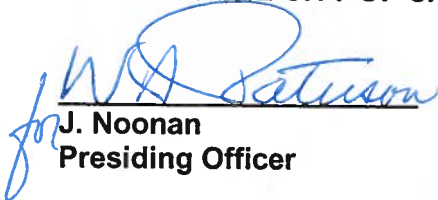
The CARB noted one of the Complainant's sales at 5678 Burleigh Crescent SE, especially in comparison to the 6004 subject, because both properties are .86 acre in size. The Complainant adjusted for time, +10%, the same as was done by the Respondent, but the adjustments for building size and site coverage cancelled one another. However, the comparable has some 5700 sq.ft. more improvement which effectively has not been adjusted. The CARB did not find this reasonable, and it calls into question the validity of the adjustment amounts employed by the Complainant.

With regard to the subject at 6212 Centre St., the CARB found the best evidence to be the sale at 5720 1 St SW at a time-adjusted price of \$2,118,651 or some \$300,000 more than the subject assessment. The improvements are within 50 sq.ft. in size, but the 1 St property is about ¼ acre larger, thus explaining a higher value. Similarly, the CARB found a sale at 4640 Manhattan Rd. instructive in relation to 6004 Centre St. Like the Burleigh property mentioned previously, it is also .86 acre in size, a net rentable area of 10,450 sq.ft., so again within 50 sq.ft. of the subject's 2-building total, and sold for a time-adjusted \$2,259,895. The Respondent values the subject as separate 6000 and 4500 sq.ft. improvements, which produces a higher value than as a single structure, and the Board accepts that an investor would have more flexibility in rental options with this arrangement and could well decide this attribute adds value. Consequently, having found sales that support each assessment, the Board determined that the adjustments employed by the Complainant were questionable, and insufficient to persuade the CARB the subjects were assessed at greater than their market value.

**Board Decisions on the Issues:**

The Board confirms the assessment of \$2,360,000 for 6004 Centre St SE and \$1,810,000 for 6212 Centre St SE.

DATED AT THE CITY OF CALGARY THIS 10 DAY OF November 2010.

  
J. Noonan  
Presiding Officer

*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.*