

**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:

Sun Life Assurance Company of Canada (as represented by MNP LLP), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Tom Golden, PRESIDING OFFICER
B Jerchel, MEMBER
J Lam, 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 2012 Assessment Roll as follows:

ROLL NUMBER	099063109	200971265	200683324
LOCATION ADDRESS	2419 52 AV SE	2331 50 AV SE	5251 22 ST SE
FILE NUMBER	65895	65815	65898
ASSESSMENT	\$13,340,000.00	\$12,230,000.00	\$13,790,000.00

This complaint was heard on 01 day of August, 2012 at the office of the Assessment Review Board located at Floor Number 4 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 5.

Appeared on behalf of the Complainant:

- *M. Uhryn*

Appeared on behalf of the Respondent:

- *K Gardiner*
L Cheng

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

[1] The Complainant pointed out that the three files contained in this decision were similar properties located adjacent to each other and Complainants evidence was addressed in the same evidence package. The Complainant suggested that the subject of the hearing be file 65895 at 2419 52 AV SE and all the evidence be carried forward to the other two files. The respondent agreed to this process pointing out that the evidence packages were similar for each of the three complaints. A difference in the Respondents package for each file was the inclusion of somewhat different equity comparables reflecting the different subject property sizes. This was not a concern for the Complainant.

[2] The Board accepted this proposed process and conducted an in depth merit hearing regarding 2419 52 AV SE and then applied that evidence to each of the other two properties.

[3] In reviewing the individual files the Board noted the Complainant seemed to have made an error in the requested amount per square foot (sq ft) and the error was duplicated in the two files not heard in detail by the Board. The Board decided that \$98.00 per sq ft., as requested in the Complainant's testimony was the correct amount.

Property Description:

[4] Each of the subject properties contain two warehouse structures with the following characteristics:

Address	Building #	Building Area sq ft	Land Area ac	YOC
2419 52 AV SE	1	46,240	7.38	2001
	2	75,016		2001
2331 50 AV SE	1	39,690	6.35	2007
	2	65,376		2007
5251 22 ST SE	1	76,150	9.45	2006
	2	39,855		2006

These structures are single story modern multi-tenant warehouses.

Issues:

[5] 1) Is the current assessed rate shown below the appropriate value to be applied to the subject properties? :

LOCATION ADDRESS	2419 52 AV SE	2331 50 AV SE	5251 22 ST SE
AVERAGE ASSESSED RATE	\$106.84	\$117.15	\$124.29

Complainant's Requested Value:

LOCATION ADDRESS	2419 52 AV SE	2331 50 AV SE	5251 22 ST SE
FILE NUMBER	65895	65815	65898
REQUESTED ASSESSMENT	\$12,510,000.00	\$10,290,000.00	\$11,360,000.00

Board's Decision in Respect Assessment:

The assessed rates applied to these properties by the Assessment Department are the appropriate values.

The Complainant argued that on the basis of a series of Comparables the subject properties should be assessed at a rate of \$98.00 per square foot (sq ft). Two charts were provided to the Board. The first Chart contained 4 sales in the SE quadrant of the City. In the opinion of the Complainant these sales were representative of similar properties that had received lower assessment rates. The sales represented two single building sales each with a single structure of a size similar to the combined size of the two structures on each of the subject lands. A fifth sale represented two buildings again with a similar size as the subject buildings. The median value of the assessed rate in these sales was \$98.00 per sq ft.

[6] The second table represented sales in City's NE area. It was argued that because of the size of the structures and the small number of such structures, sales from other areas of the City are valid to use as comparables. This second table contains 5 sales of similar buildings and give a median of \$80.00 per sq ft supporting the requested value.

[7] The Respondent firstly presented to the board a correction to the assessed area of the

sale at 7007 54 ST SE. The sale price per sq ft increased from \$75.00 per sq ft to \$113.00 per sq ft. This impacted the median value from \$98.00 per sq ft to \$104.00 per sq ft.

[8] The Respondent stated that the assessment model adjusts for multiple buildings on a single parcel and therefore it is important in this case to compare the subjects to the sales of multiple buildings. The adjusted sales price for the Complainant's two multiple building sales comparables is an average of \$111.50 sq ft. This supports the assessments on the subject.

[9] Equity comparables were also included in the Respondents evidence supporting the assessment.

[10] Little weight was placed on the Complainants sales for the NE as they only demonstrated that similar buildings traded for lower values in the NE. and sales are available in the same quadrant of the City as the subject lands. In terms of the Complainant's SE sales the Board accepted the adjusted sales price per sq ft suggested by the Respondent and those changes were not disputed. With the adjusted sales the median sale was \$104.00 per sq ft and the average is \$105.00 per sq ft. Neither of these sq ft values support the \$98.00 per sq ft requested by the Complainant. The Board also notes that the one SE multiple building sale presented had an adjusted sale price of \$113.00 per sq ft. again not supporting the requested rate.

Board's Decision:

[11] The assessments are confirmed as follows:

LOCATION ADDRESS	2419 52 AV SE	2331 50 AV SE	5251 22 ST SE
FILE NUMBER	65895	65815	65898
ASSESSMENT	\$13,340,000.00	\$12,230,000.00	\$13,790,000.00

DATED AT THE CITY OF CALGARY THIS 17th DAY OF Aug 2012.



Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. C2	Complainant Rebuttal
2. R2	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.*

Appeal Type	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Industrial	warehouse	Sales Approach	equity