

**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:

Westwinds Corner Limited (as represented by Altus Group), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

T. Hudson, PRESIDING OFFICER

Y. Nesry, MEMBER

R. Kodak, 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 2011 Assessment Roll as follows:

ROLL NUMBER: 200478584

LOCATION ADDRESS: 3690 Westwinds DR NE

HEARING NUMBER: 61214

ASSESSMENT: \$7,500,000

This complaint was heard on the 8th day of September, 2011 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- K. Fong

Appeared on behalf of the Respondent:

- S. Turner
- S. Powell

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

There were no procedural or jurisdictional matters raised by the parties.

Property Description:

The subject property is a 3.41 acre parcel, improved with 28,349 square feet(sf) of retail space; including 6,349sf of bank space, 478sf of non-retail mezzanine, a car wash of 9,895 sf, and 11,627sf of CRU space. The subject property is part of the Westwinds Corner retail strip and is currently assessed based on capitalized income at \$7,500,000.

Issues:

What is the Appropriate Rental Rate to be Applied to the Bank Space?

Complainant's Requested Value: \$6,430,000

Board's Finding in Respect of Each Matter or Issue:

What is the Appropriate Rental Rate to be Applied to the Bank Space?

The Board finds that the appropriate rental rate is \$43 psf.

The Respondent presented a Bank Lease Rate Study conducted in 2011. The study identified that Bank space lease rates could be stratified by the time period during which the space was constructed. Properties, such as the subject, constructed in 2008 or after, had typical lease rates in the range of \$43psf. The complete breakdown is presented on pages 20, 21 and 22 of Exhibit R1.

The Complainant requested a lease rate of \$29 psf, which is typical of bank space constructed between 1990 and 2004. Support for the requested rate consisted of seventeen (17) leases of comparable bank space with an average rate of \$29.61, and median of \$29.25 psf.; as shown on Page 30 of Exhibit C1.

When the Complainant's leases are analyzed by year of construction (see chart on page 23 of Exhibit R1), equity also appears to be achieved for the subject, at \$43 psf.

Board's Decision: The assessment is confirmed at \$7,500,000.

DATED AT THE CITY OF CALGARY THIS 19 DAY OF October 2011.



T. B. Hudson
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.*

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| <i>Decision No.2187</i> | | <i>Roll No. 200478584</i> | | |
|-------------------------|-------------|---------------------------|---------------|--------------|
| <u>Subject</u> | <u>Type</u> | <u>Sub-Type</u> | <u>Detail</u> | <u>Issue</u> |
| CARB | Retail | Strip Centre | Income | Rent Rate |
| | | | | |