



Calgary Assessment Review Board

DECISION WITH REASONS

In the matter of the complaints against the property assessments as provided by the *Municipal Government Act*, Chapter M-26, Section 460, Revised Statutes of Alberta 2000 (the Act).

between:

***GMW PROPERTIES LTD., (as represented by Colliers International Realty Advisors Inc.),
COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

***BOARD CHAIR, T. Hudson PRESIDING OFFICER
BOARD MEMBER, I. Fraser
BOARD MEMBER, G. Milne***

This is a complaint to the Calgary Assessment Review Board in respect of the property assessments prepared by the Assessor of The City of Calgary and entered in the 2014 Assessment Roll as follows:

ROLL NUMBER: 200479525

LOCATION ADDRESS: 5025 51 ST SE

FILE NUMBER: 76733

ASSESSMENT: \$3,670,000

The complaint was heard on the 29th day of July, 2014 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Board room 10.

Appeared on behalf of the Complainant:

- *Mr. T. Howell, Agent, Colliers International Realty Advisors Inc.*

Appeared on behalf of the Respondent:

- *Mr. J. Ermube, Assessor, City of Calgary*

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

[1] There were no procedural or jurisdictional matters in dispute between the Parties.

Property Description:

[2] The subject property is a 1.66 acre parcel of industrial land located at 5025 51 ST NE in the Eastfield Industrial community. In 2006, the property was improved with an "A2" quality class multi-bay warehouse including assessable area of 20,400 square feet (sf.). Site coverage is 28.20% and office finish is 48%.

[3] The property is currently assessed based on the direct sales comparison approach at a unit rate of \$180.36 per square foot (psf.), to a total of \$3,679,296, or \$3,670,000, (rounded).

Issue:

Assessment Amount

[4] The Complainant contends that the assessment exceeds market value, and should be reduced using a unit rate of \$171.00 psf.

Complainant Requested Value: \$3,490,000 (rounded)

Board's Decision:

[5] **The assessment is confirmed at \$3,670,000.**

Legislative Authority, Requirements and Considerations:

[6] The Composite Assessment Review Board (CARB) derives its authority from Part 11 of the Act:

Section 460.1(2): Subject to section 460(11), a composite assessment review board has jurisdiction to hear complaints about any matter referred to in section 460(5) that is shown on an assessment notice for property other than property described in subsection (1)(a).

[7] For purposes of the hearing, the CARB will consider the Act Section 293(1):

In preparing the assessment, the assessor must, in a fair and equitable manner,

(a) apply the valuation and other standards set out in the regulations, and

(b) follow the procedures set out in the regulations.

[8] The Matters Relating to Assessment and Taxation Regulation (MRAT) is the regulation referred to in the Act section 293(1) (b). The CARB consideration will be guided by MRAT Part 1 Standards of Assessment, Mass appraisal section 2:

An assessment of property based on market value

(a) must be prepared using mass appraisal,

(b) must be an estimate of the value of the fee simple estate in the property, and,

(c) must reflect typical market conditions for properties similar to that property.

Position of the Parties

Complainant

[9] The Complainant initially submitted an analysis of four industrial property sales with a unit rate range of \$148.88 psf. to \$180.02 psf. with a mean of \$163.94 psf. and a median of \$163.43 psf.; in support of a requested unit rate of \$165.00 psf. for the subject property assessment, (Exhibit C1, page 12).

[10] The Complainant subsequently time adjusted the sale prices based on the Respondent's methodology, and calculated a revised mean of \$171.16 psf., and a revised median of \$171.21, (Exhibit C2, page 4).

[11] The Complainant then revised the unit rate assessment request to \$171.00 psf.

[12] The Complainant argued that the Complainant's property sale comparable located at 2505 107 AV SE should be excluded from consideration because it transacted in 2010.

[13] The Complainant noted that the sale comparable properties of the Respondent are either larger or smaller in assessable area than the subject.

[14] The Complainant also pointed out that two of the market sales are common to the analysis of both Parties. The property located at 3160 118 AV SE sold for a time adjusted unit value of \$162.20 psf., and the property located at 11550 40 ST SE sold for time adjusted unit value of \$180.02 psf. The average of these two sales, (i.e. \$171.11) supports their request.

Respondent


[15] The Respondent submitted an analysis of five sales with unit rate values ranging from \$162.20 psf., to \$200.09 psf., with a median of \$180.02, in support of the current assessed unit rate value of \$180.36 psf., (Exhibit R1, page 17).

Board's Reasons for Decision:

[16] The Board was not convinced by the Complainant that their evidence had produced an assessment estimate that reflects the 2014 market value of the subject property.

[17] The Board finds that the average unit rate of the time adjusted market sales evidence of both Parties (i.e. \$179.46 psf.), supports the current assessment of the subject property.

DATED AT THE CITY OF CALGARY THIS 25 DAY OF August 2014.



T. B. Hudson

Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. C2	Complainant Rebuttal
3. 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. 76733</i>			<i>Roll No. 200479525</i>	
<u>Subject</u>	<u>Type</u>	<u>Sub-Type</u>	<u>Issue</u>	<u>Sub-Issue</u>
CARB	Warehouse	IWM	Market Value	Sales Comps