

**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(4).

between:

Assessment Advisory Group Inc., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

Dean Sanduga, PRESIDING OFFICER

J. Pratt, MEMBER

T. Usselaman, 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:

ROLL NUMBER: 055511141

LOCATION ADDRESS: 233 Mayland Pl. NE

HEARING NUMBER: 58240

ASSESSMENT: \$4,980,000

This complaint was heard on the 26th day of July, 2010 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 11.

Appeared on behalf of the Complainant:

- *Troy Howell, Representing Assessment Advisory Group Inc.*

Appeared on behalf of the Respondent:

- *Christina Neal, Representing the City of Calgary*

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

The question of bias was raised and all parties indicated that there was no bias.

Both the Complainant and the Respondent indicated that there were no preliminary matters.

Property Description:

The subject property is a three story office building located in an industrial suburban office area. The building contains a total rentable area of 23,230 sq. ft. lot area 1.49 acres. The building was constructed in 1990.

Issues:

- 1- Vacancy rate.
- 2- Capitalization rate.

Complainant's Requested Value:

\$3,830,000

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

The Board reviewed the Complainant's evidence and noted that the sales comparables and cap rate comparables presented by the Complainant are on strip malls, whereas the subject is a suburban office building. Respondent's Pages 30 to 35.

The vacancy rate evidence submitted by the Complainant includes sub-lease vacancy and are based on 2nd quarter information.

The Board reviewed the following Respondent's evidence:

- 1- Pages 22, 23, and 24 Subject Assessment report.
- 2- Page 25, Subject Sales Transaction report.
- 3- Page City Suburban office Industrial Capitalization Rate Study.
- 4- Page 41, Suburban office Industry Cap rate Reports.
- 5- Page 42, 43 Colliers International 2009 Capitalization Rate Report.
- 6- Page 44, Canadian Cap rate Survey Q2, 2009.
- 7- Pages 47 to 61, Respondent's sales comparables.

The Board is persuaded by the evidence provided by the Respondent on Vacancy rate and Capitalization rate.

Board's Decision:

The Board confirms the 2010 assessment

DATED AT THE CITY OF CALGARY THIS 19 DAY OF August 2010.


Dean Sanduga
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.*