

**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:

Colliers International Realty Advisors, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

***Board Chair, J.P. Acker
Board Member 1, J. O'Hearn
Board Member 2, T. Usselman***

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: 071135305

LOCATION ADDRESS: 325 25 Street S.E.

HEARING NUMBER: 57475

ASSESSMENT: \$ 43,260,000

This complaint was heard on the 28th day of September, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 2.

Appeared on behalf of the Complainant:

- *Scott Meiklejohn*

Appeared on behalf of the Respondent:

- *Christina Neal*

Property Description:

The subject property is a 2002 modern suburban low-rise office building located on the corner of 3rd Avenue and the Barlow Trail. The 167,840 square foot building is located on a 130,678 square foot parcel and is supported by 367 underground parking stalls.

Issues:

Property is incorrectly assessed based on the vacancy allowance applied at 9% when an 11% rate is indicated in the northeast Calgary suburban office building market.

Complainant's Requested Value: \$ 37,300,000

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

Vacancy Rate

The Complainant argued that the vacancy rate in Calgary northeast should be set at 11%. Supporting data support his argument insofar as the city's rental rate survey did not include all properties with vacant space but did include, incorrectly, owner-occupied buildings with vacant space that was not intended to be offered to the market.

The Respondent provided the city's study in support of a 9% vacancy rate amended by a different group of properties and indicated that with the amendments, the rate should be 9.5%

As to the vacancy rate applied, the Board found the Complainant's evidence and argument to be supportive of an 11% vacancy allowance. .

Board's Decision:

By applying the Suburban Office Class "A" factors to the subject property; \$20.00 per square foot rental rate, 11% vacancy rate and 7.5% CAP rate, the assessment is set at \$41,810,000.

DATED AT THE CITY OF CALGARY THIS 6 DAY OF October 2010.



J.P. Acker

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.*