

**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:

Linnell Taylor & Associates , COMPLAINANT

And

The City Of Calgary, RESPONDENT

Before:

D. Sanduga , PRESIDING OFFICER

I. Zacharopoulos, MEMBER

A. Wong, 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: 067183806

LOCATION ADDRESS: 626 – 17 AV SW

HEARING NUMBER: 56551

ASSESSMENT: \$4,680,000

This complaint was heard on 19th day of October, 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:

- *D. Sheridan*

Appeared on behalf of the Respondent:

- *J. Togood*
- *D. McCord*

Property Description:

The subject property is 56 years old, 4 storey walk-up with a uniform 1 bedroom apartment mix and two main floor commercial units located at 626 –17 AV SW. Known in the marketplace as "Ambassador on 17", the apartment building contains 29 one bedroom units and two commercial units on main floor.

Issues:

The assessed value is incorrect.

The assessed value is too high.

Complainant's Requested Value:

\$3,800,000

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

Complainant position

The subject property is a 56 years old walk – up with a unit for 1- bedroom apartment mix. The subject walk-up has no balconies or any building amenities. The building condition is inferior and ranking is manifested by low rent and high level of vacancy which clearly underperforms relative to market. The assessed vacancy allowance is lower than the vacancy applied to other similar properties in this vicinity and strata. The assessed GIM is higher than the GIM applied to other similar properties in this vicinity and strata and also higher than the indicated GIM's extracted from apartment building sales.

The Complainant presented on C1 assessed market vacancy indicating the subject had 4 units vacant in the month of July 2009 which equate to 13.79% and 7 vacant units in the month of December 2009 equating to 24.14 %, he further indicated that private apartment vacancy in zone 2- beltline in the month of October 2009 were 6.5%.

The Complainant further presented on page 6 an Equitable Assessed Gross Income Multiplier (GIM) used in the strata.

Although the subject occupies a low position relative to the published indices, it is not alone. Two nearby properties share many of the same features as the subject and their assessments offer solid evidence that the subject assessed GIM is inequitable: Their details follow:

Name	Address	Roll #	Type	No& suite mix	Assessed vacancy	Assessed GIM	AYOC
Sovereign Heights	1039-17 AV SW	080009202	8 storey and retail office	55 one BR	5%	13.0x	1968
Ambassador on 17	630-17 AV SW	067183905	8 storey and retail office	34, 12 Bach. 20, 1BR, 2 2BR	5 %	13.0x	1964
Ambassador on 17 (Subject)	626-17 AV SW	067183806	4 Storey + retail	29 , 1 BR	2%	17.0x	1953

The GIM embodies all the positive and negative features of a property. It is an expression of the perceived risk / opportunity of a given investment. The subject shares the following features with examples 1) and 2):

- The subject and comparables are mixed-use (Apartment and retails)
- The subject and comparables are located on 17 AV SW within 4 blocks distance.
- Similar suite mix.

The Complainant submitted on C1-page 6 an equitable assessed Gross Income Multiplier (GIM) on two assessed properties indicating assessed GIM 13.0 X whereas the subject GIM is 17.0X.

The Complainant presented on C1-page 7 three sales indicating market derived GIM of x13.09 , 12.67 and 13.16.

The Complainant presented Rent roll information covering the month of July and December 2009 indicating that vacancy rate is 12%.

Respondent position

The Respondent submitted 2010 assessment comparables (R1 page 45) and sales comparables (R1 page 46)

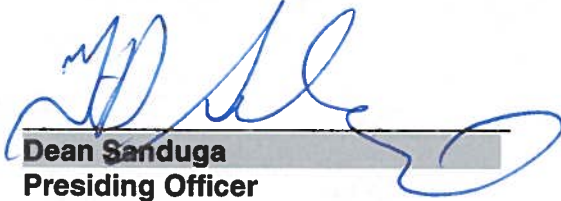
Boards findings

The Complainant failed to provide compelling evidence to prove assessment is incorrect. No support on vacancy was provided other than a 2 month rent roll was submitted. The GIM evidence are not convincing , the subject value per suit is supported by the Complainant's sales and equity evidence C1 page 6 and C1 page 7.

Board's Decision:

The decision of the Board is to confirm the 2010 assessment at \$4,680,000

DATED AT THE CITY OF CALGARY THIS 24 DAY OF NOVEMBER 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.*