

**CALGARY  
COMPOSITE 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:**

***Altus Group Limited, COMPLAINANT***

**and**

***The City Of Calgary, RESPONDENT***

**before:**

***L.R. Loven, PRESIDING OFFICER***

***B. Kodak, MEMBER***

***T. Usselman, MEMBER***

This is a complaint to the Calgary Combined 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: 200119253**

**LOCATION ADDRESS: 305 13 Avenue N.E.**

**HEARING NUMBER: 59454**

**ASSESSMENT: 3,080,000**

This complaint was heard on the 28<sup>th</sup> day of October, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- B. Neeson, representing Altus Group Limited, on behalf of Mainstreet Equity Corp.

Appeared on behalf of the Respondent:

- J. Toogood, representing the City of Calgary

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

Both the Respondent and the Complainant confirmed to the Board that they had no procedural or jurisdictional matters to be raised.

**Property Description:**

The subject property consists of a 3.5 story, 23 suite lowrise apartment building, built in 1969, and located in the Crescent Heights (CRE) community within market zone 3. The assessment is \$3,080,000.

**Issues:**

1. Vacancy rate increased to 5%.

**Complainant's Requested Value:** \$2,980,000.

**Board's Findings in Respect of Each Matter or Issue:**

**Issue 1: Vacancy Rate**

The Complainant provided a table containing six equity comparables as follows: four highrise comparables; two lowrise comparables one located in market zone 2 and the other in market zone 3 in a different community than the subject property, assessed vacancy rates of 2% and 1%, respectively; two highrise comparables located in market zone 3 were assessed a vacancy rate of 5%, and two highrise comparables located in market zone 2 were assessed at 1% vacancy.

The Complainant submitted a CMHC Rental Market Report for Fall 2009 showing changes in vacancy rates from October 2008 to October 2009 as follows: total apartment vacancy rate from 2.1% to 5.3%; market zone 3 from 1.6% to 5.6; for apartment building constructed from 1960 to 1974 with one and two bedroom suites from 1.9% to 5.5% and 5.7%, respectively; and, for all apartment buildings containing 20 to 49 units from 2.4% to 6.5%. The Board notes that the changes in vacancy rates reported by the CMHC includes both highrise and lowrise apartment buildings.

The Complainant referenced Calgary Assessment Review Board decision ARB WR0083/2010-P regarding a single family property, reducing the assessment based, in part, on reduced assessments of the equity comparables used by the Respondent.

The Complainant also referenced a Municipal Government Board (MGB) Notice of Decision dated February 10, 2010 regarding the subject property.

The Respondent referenced Calgary Assessment Review Board decision ARB 0536/2010-P, regarding the vacancy rate of a low-rise apartment building located in the Beltline community.

Based on its consideration of the foregoing evidence and argument, the Board finds that CMHC report does not provide the Board with sufficient information regarding the vacancy rate for lowrise apartments, and the Complainant's lowrise comparables support the assessed vacancy rate of 2%.

### **Summary**

The only issue argued by the Complainant was to increase the assessed vacancy rate from 2% to 5%.

The Board finds that the Calgary Assessment Review Board decision ARB WR0083/2010-P referenced by the Complainant, regarding the lowering of an assessment for a single family property, merits little weight given the decision was based, in part, on the change in assessment of the Respondent's comparables in the same community. However, the Complainant provided a table containing four highrise and two lowrise comparables, containing from 16 to 38 units, not located in the same community as the subject property showing a percent change in assessment from -6 to -20%. The percent change in the assessment for the subject property is approximately -9.41%. Given the foregoing, on this basis alone it is difficult for the board to find that the assessment of the subject property should be reduced.

The Complainant's comparables support the assessment of the subject property regarding vacancy rate. The lowrise comparable provided by Complainant located in the same market zone, 11 years newer with one less suite, was assessed at a lower vacancy than the subject property. The CMHC report submitted by the Complainant did not provide the Board with any details for the Board to determine that the apartment vacancy rate rose uniformly across low rise and highrise apartment types. Finally, the lowrise comparable provided by the Complainant supports the assessed vacancy rate.

In conclusion, the Board therefore finds, based on the evidence and argument presented, that subject property appears to have been assessed equitably with respect to the vacancy rate.

### **Board's Decision:**

For the reasons set forth above, the assessment of the subject property is hereby confirmed as follows: \$3,080,000.

DATED AT THE CITY OF CALGARY THIS 9 DAY OF December 2010.



**L.R. LOVEN**  
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.*