

**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-26.1, Section 460(4).

between:

*Assessment Advisory Group (Agent) on behalf of  
Russell, N. Edward and Janssen Richard L., COMPLAINANT*

and

*The City Of Calgary, RESPONDENT*

before:

*D. H. Marchand, PRESIDING OFFICER*

*B. Jerchel, MEMBER*

*J. Joseph, MEMBER*

This is a complaint to the Calgary Composite Assessment Review Board (CARB) in respect of the Property Assessments prepared by the Assessor of The City of Calgary and entered in the 2010 Assessment Roll as follows:

<b>ROLL NUMBER:</b>	<b>058115700</b>
<b>LOCATION ADDRESS:</b>	<b>303 9A Street NW</b>
<b>LEGAL DESCRIPTION:</b>	<b>Plan 24480; Block 2; Lot 37 - 40</b>
<b>HEARING NUMBER:</b>	<b>58341</b>
<b>ASSESSMENT (2010):</b>	<b>\$2,850,000</b>

This complaint was heard on 15<sup>th</sup> day of October, 2010 at the office of the Assessment Review Board located at 4<sup>th</sup> Floor, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 6.

Appeared on behalf of the Complainant; *Assessment Advisory Group*: T. Howell

Appeared on behalf of the Respondent; *City of Calgary*: J. Toogood

### **Description and Background of the Properties under Complaint:**

The subject is a 19 unit apartment complex built in 1963 in the Sunnyside Community. The subject's suite mix is 18 one-bedroom and 1 two-bedroom units.

Prior to the opening of the hearing the Complainant advised that they would be arguing only one of the issued filed within the subject's Assessment Review Board Complaint form under *Section 5 – Reason(s) for Complaint*. "The gross income multiplier (GIM) applied in the assessment calculation is not reflective of the market GIM rates."

Both parties support the use of the same effective gross income and a vacancy allowance of 2%.

The Complaint is seeking the use of a gross income multiplier (GIM) of 12.6 times; the Respondent has applied a GIM of 14.5 times.

**Issue:** Is the subject inequitably assessed with similar and comparable apartment complexes?

The Complainant provided a summary of four comparable properties, only one is within the subject's Sunnyside neighbourhood the others are from Tuxedo Park, Brownes, and Collingwood. All are the adjacent communities. Upon questioning the Tuxedo Park transaction was determined to be not at arms length. The Brownes transaction was shown to be not in a comparable location and the Collingwood comparables was shown to have the whole main floor as commercial retail development. The remaining Sunnyside indicator is a 10 unit complex of 1966 vintage. Using the same parameter as those used on the subject (\$875 /month rental and 2% vacancy allowance) the Complainant submits an 11.59 multiplier.

The Respondent advised the CARB that the only one of the Complainant's comparables would be consider as a valid indicator, however the rental rate use on the Sunnyside complex is \$1,025 per month not the \$875 as typical rent for this complex. The result is a multiplier of 13.06 times.

The Respondent provided 4 equity comparables from within the Sunnyside neighbourhood each with a 14.5 GIM. In addition to the one indicator that is common to the parties, two additional sales GIM indicators were provided. The range of GIM indicators was from 11.33 to 17.98 times. A rate of 14.5 is argued as being reasonable.

### **Decision:**

The assessment is confirmed at **\$2,850,000.**

### **Reasons:**

The supporting data provided was reviewed and very little weight is given to the three comparables called into question. The remaining GIM indicators provide reasonable range of indicators and the

GIM selected for the subject is reasonable as it is near the midpoint of the range.

DATED AT THE CITY OF CALGARY THIS 3 DAY OF November 2010.

  
D. H. Marchand  
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.*