

**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, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

F. Wesseling, PRESIDING OFFICER

I. Zacheropoulos, 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: 081070906

LOCATION ADDRESS: 2315 14 A Street SW

HEARING NUMBER: 58335

ASSESSMENT: \$1,540,000.00

This complaint was heard on 10th day of November, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 8.

Appeared on behalf of the Complainant:

- *T. Howell*

Appeared on behalf of the Respondent:

- *P. Ohlinger*

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

No specific jurisdictional or procedural matters were raised during the course of the hearing, and the CARB proceeded to hear the merits of the complaint.

Property Description:

Property contains a low rise (3.5 stories) apartment building with 11 suites. Location is the Beltline in a neighbourhood called Bankview and was constructed in 1968. The City of Calgary Land Use Bylaw classifies the area MR2 –Multi-Residential

Issues:

The Complainant raised the following matter in Section 4 of the Assessment Complaint form:
Assessment amount

Presentation of the Complainant and Respondent were limited to:

- Assessment overstated in relation to comparable properties.
- Sales approach indicates assessment is overstated

Complainant's Requested Value: \$ 1,320,000.00

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

The Complainant provided background on the property and indicated that the only issue to be addressed as part of this complaint is the Gross Income Multiplier (GIM). The GIM for this property is 13.5 and the Complainant suggests that the GIM should be at 11.5 for this property. In support of the lower GIM the Complainant provided a GIM valuation spreadsheet using 3 comparable properties. The comparable properties are in the same neighbourhood. The analysis using typical hypothetical rents showed an average time adjusted GIM of 11.46.

The Respondent provided a background on the approach used by the City of Calgary to determine assessment for multi residential properties. The assessment for these properties is based on the income approach using typical potential gross income, typical vacancy and an effective GIM. Four assessment comparables were provided of similar quality properties in the same area. In addition, the respondent was able to show that one of the comparable properties provided by the Complainant was in fact cancelled to condominium. A second property was challenged as being

the nature of the sale.

Board's Decision: Upon reviewing the verbal and written evidence provided by the parties, the Board considers that the Complainant failed to demonstrate that the assessment was inequitable. The Board confirms the assessment at \$1,540,000.00.

Reasons: The Board determined that the equity and sales comparables presented by the Respondent support the 2010 assessment and that the data presented by the complainant did not provide grounds to amend the assessment. The use of typical, hypothetical rents in the GIM calculation by the complainant was not compelling evidence.

DATED AT THE CITY OF CALGARY THIS 26 DAY OF NOVEMBER 2010.


F. W. Wesseling
Presiding Officer

The Board was presented with the following submissions

Complainant: C1 Assessment Advisory Group. Disclosure of Evidence

Respondent: R1 Assessment Brief prepared by City of Calgary Assessment Business Unit

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.*