

**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:

***Altus Group Ltd., COMPLAINANT***

and

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

before:

***C. Griffin, PRESIDING OFFICER***

***D. Julien, MEMBER***

***J. Mathias, MEMBER***

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

**ROLL NUMBER:** 111161808 / 111094959

**LOCATION ADDRESS:** 700 – 67 Ave. SW & 620 – 67 Ave. SW Respectively

**HEARING NUMBER:** 59496 & 59489 Respectively

**ASSESSMENT:** \$15,170,000 & \$24,680,000 Respectively

This complaint was heard on 30<sup>th</sup> day of November, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Ab., Boardroom 6.

Appeared on behalf of the Complainant:

- J. Weber

Appeared on behalf of the Respondent:

- I. Pau
- J. Toogood

**Procedural or Jurisdictional Matters:**

The properties under complaint are adjacent, suburban located, high-rise apartment buildings that are similar in design and age. Ownership of the two properties is common. The issue under complaint is the same for both properties and the evidence from both parties is common to both properties. As a matter of expediency, both parties suggested the CARB hear the complaints concurrently. The CARB is appreciative of the parties consideration and co-operation in making this suggestion and the CARB agrees to hear the complaints concurrently; however, the CARB reserves the right to issue separate decisions should it so choose.

The Respondent, as a result of reconsidering the assessed rents, has recommended a revision to the assessments of the properties as follows:

Roll # 111161808	Revised Assessment \$14,940,000.
Roll # 111094959	Revised Assessment \$22,180,000.

**Property Description:**

Roll # 111161808 refers to a 102 suite, 13 storey high-rise apartment building that is located at 700 – 67 Ave. SW. The property contains 2 bachelor suites, 73 one bedroom suites and 27 two bedroom suites. This property was originally constructed in 1964.

Roll # 111094959 refers to an 18 storey 141 suite apartment building that is located at 620 – 67 Ave. SW. The property contains 3 bachelor units, 34 one bedroom units and 104 two bedroom units. The property was reportedly constructed in 1968.

**Issues:**

While there are a number of inter-related grounds for complaint identified on the complaint form, at the Hearing the Complainant confirmed, as identified on page 3 of Exhibit C-1, that there is only one issue to be argued before the CARB and that is:

1. The subject assessed rents are in excess of market rent and

**Complainant's Requested Value:**

The Complainant's requested assessments are:

Roll # 111161808	\$13,630,000.
Roll # 111094959	\$20,940,000.

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

It is the contention of the Complainant that the rental rates applied by the Assessor are not indicative of the market rental rates for the subject property as at the Date of Value. In support of their rental rate argument, the Complainant introduced (Exhibit C-1 pgs 12 - 15) a July '09 master rent roll for both of the properties under complaint on which the Complainant has highlighted some 67 one bedroom units with leases signed between January 1/09 and July 1/09 and which indicates the Median rent to be \$960/Mo. Similarly approximately 74 leases relating to two bedroom units indicate a Median rent of \$1200/Mo and three leases relating to bachelor units indicate a Median rent of \$780/Mo. The Complainant further introduced (Exhibit C-1 pg 20) an extract from the *Alberta Assessors' Association Valuation Guide* (AAAVG) which, under the heading *Determining Market Rents as of the Valuation Date* states "For most tenants the best source of market rent information is the rent roll. Using these rent rolls, the best evidence

of "market" rents are (in order of descending importance): Actual leases signed on or around the valuation date." It is the contention of the Complainant that the aforementioned median rents are, in accordance with the AA AVG, the best evidence as to the market rents for the subject property as at the valuation date.

In support for their revised applied rental rates, the Respondent introduced (Exhibit R-2A pg 2) a 2010 Roll Year Zone Specific Rental chart which, based upon the Assessment Request For Information (ARFI) of 5 properties, including the subjects, indicates the Median bachelor unit rent to be \$900/Mo., the Median one bedroom rent to be \$1,075/month and a Median rent of \$1,250/month for two bedroom units.

The CARB finds the evidence of the Complainant relating to signed leases on or about the valuation date to be compelling and notes that the AA AVG supports this evidence as being "the best evidence of "market" rents". The CARB further notes that the Respondent concurs with this concept. The CARB further finds the rent roll introduced by the Complainant (Exhibit C-1 pgs 12 – 15) to be much more compelling than the rent survey introduced by the Respondent (Exhibit R-2A pg 2) as the latter is devoid of supporting data.

In the final analysis the CARB is more persuaded by the evidence of the Complainant than that of the Respondent and the Complaints are allowed.

**Board's Decision:**

The assessments are **reduced** as follows:

Roll # 111161808      Assessment reduced to **\$13,630,000.**

Roll # 111094959      Assessment reduced to **\$20,940,000.**

DATED AT THE CITY OF CALGARY THIS 17 DAY OF December 2010.

  
C. J. GRIFFIN  
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.*