

**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, Revised Statutes of Alberta 2000 (the Act).

between:

Ernst Weislogel, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

J. Noonan, PRESIDING OFFICER

I. Fraser, MEMBER

P. Charuk, MEMBER

This is a complaint to the Calgary Assessment Review Board in respect of a property assessment prepared by the Assessor of The City of Calgary and entered in the 2012 Assessment Roll as follows:

ROLL NUMBER:	072179500
LOCATION ADDRESS:	1219 44 St SE
FILE NUMBER:	65594
ASSESSMENT:	\$870,500

This complaint was heard on the 30th day of July, 2012 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:

- *Mr. Ernst Weislogel* *Owner, self represented*

Appeared on behalf of the Respondent:

- *Ms. Yang Wang* *Assessor, City of Calgary*

Property Description:

[1] The subject is a six-unit townhouse style apartment building built in 1976 in the Forest Lawn neighbourhood. The subject contains six two-bedroom apartments.

Issues:

[2] Is the subject assessed equitably in comparison to similar nearby properties?

Complainant's Requested Value: \$700,000

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

[3] The Complainant presented a list of ten nearby apartment properties and highlighted the fact that each of the subject's six units carries an assessed value of \$145,084 and in comparison, the others' units are valued in a range of \$117,250 to \$138,500. The Complainant struggles to achieve a per unit monthly rent of \$825, the property being located on a busy road, close to a fire hall and attendant noise, and directly across the street from Forest Lawn High School. Students are in the habit of congregating in front of the subject property, creating an on-going litter problem.

[4] The Complainant drew special attention to a nearby property at 907 44 St. It was built the same year as the subject, by the same builder, and to the same plans. That property is assessed at \$716,000 or \$119,333 per unit, does not suffer the school-proximity problems of the subject, and thus the requested assessment value of \$700,000. A six-plex condo property next door at 1403 44 St. has been fully renovated inside and out, has fireplaces, and the Complainant is aware of one unit rented at \$850 per month. This superior property is assessed at \$831,000 or \$138,500 per unit. Attention was also drawn to a number of four-plexes on 40 St, with a similar layout to the subject. Three of the owners of those properties are known to the Complainant, and their apartments rent at \$950 per month, yet the units are assessed at a rate of \$117,250 - \$124,125. The subject property has had normal, regular maintenance but has not enjoyed any upgrades to its 1976 construction. The Complainant also observed that three of the Respondent's equity comparables were 2-storey buildings backing onto a green space, and as such were superior properties to the subject. The Complainant also had the experience of losing a tenant to one of those comparables, the tenant requiring a 3-bedroom apartment which was offered there. The Complainant further observed that the City's presentation did not acknowledge any 3-bedrooms in those comparables.

[5] The Respondent advised the subject was valued by the income approach as an average quality townhouse-style six-plex. The six units were ascribed a typical monthly rent of \$900, a

4% vacancy rate and a Gross Income Multiplier of 14. Four assessment equity comparables were presented, along with the subject, showing the rents attributed to different suite sizes which were the same across the board. The Respondent noted that the Complainant had advanced as comparables a duplex, a condo, and seven four-plexes. The property at 907 44 St. was assessed as being only in fair condition, accounting for the valuation gap.

[6] The Board found some difficulty with matching up some of the City data with the first hand experience of the Complainant who demonstrated an in-depth knowledge of the rental market in the immediate area. The Board did have uncontested evidence that the subject's units rented for \$825 per month, this evidence supported by Request for Information returns from the subject in both 2010 and 2009. In this case, the Board found it appropriate to adopt a site-specific valuation given the questions raised regarding the comparables. Accordingly, the Board used the actual level of rents generated by the subject, applied the typical parameters, and found a value of \$798,000 or \$133,000 per suite would represent an equitable assessment.

Board's Decision:

[7] The Board reduces the assessment to \$798,000.

DATED AT THE CITY OF CALGARY THIS 16 DAY OF August 2012.



J. Noonan
Presiding Officer

APPENDIX "A"**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1 8 pages	Complainant Disclosure
2. C2 4 pages	Complainant Disclosure
3. C3 2 pages	Complainant Disclosure
2. R1 36 pages	Respondent Disclosure

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.*