

**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:

1218661 Alberta Ltd., (as represented by Altus Group), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

C. McEwen, PRESIDING OFFICER

J. Rankin, MEMBER

J. Pratt, 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 2011 Assessment Roll as follows:

ROLL NUMBER: 138153507

LOCATION ADDRESS: 11500 29 ST SE

HEARING NUMBER: 64253

ASSESSMENT: \$2,240,000

This complaint was heard on the 27th day of September, 2011 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, AB, Boardroom 11 .

Appeared on behalf of the Complainant:

- D. Chabot

Appeared on behalf of the Respondent:

- A. Jerome

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

The Board was not provided a copy of the Respondent's evidence as the disclosure package had not been received on time by the Assessment Review Board. The Complainant, however, confirmed to the Board that the Respondent's disclosure had been received by the Complainant on time.

In the spirit of Natural Justice, the Board suggested that the missing disclosure be provided to the Board so that all of the evidence could be heard. The Board did not believe that either side would be prejudiced by so doing as both parties had disclosed to one another within the legislated timelines and were prepared to argue their positions.

The Complainant agreed with the Board's recommendation and asked that it be treated as a preliminary matter. The Board agreed and the merit hearing continued once copies of the Respondent's disclosure were provided to the Board.

Property Description:

The subject property is a 16,377 square foot suburban office building located in the Shepard district of SE Calgary. The subject improvement, constructed in 2000, is classified as B for assessment purposes and is assessed using the Income Approach to Value.

Issues:

Is the subject property assessed higher than market value and is the assessment, therefore, inequitable to comparable properties? Specifically, should the rent rate used to assess the subject property be reduced to \$12.50 per square foot?

Complainant's Requested Value:

\$1,820,000

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

The Board finds \$12.50 per square foot to be the appropriate rent rate to apply to the subject property for assessment purposes. The subject assessment was calculated using \$15 per square foot, the typical rate applied to suburban office properties rated as B.

The Board accepts the two most recent subject leases (C1, page 16) as the best indicators of value for the subject property. Although the leases are post facto by one month, the Board finds them to be close enough to the valuation date to be representative of the marketplace as of July 1, 2010. The median of the two leases provided is \$12.50 per square foot.

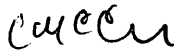
The Board accepts the property located at 5824 2 STREET SW as the best comparable to the subject based upon location, age and size. The three leases from this comparable and the two most recent subject leases provide a median rent rate of \$13.00 per square foot. As the location of the comparable is superior to the subject property, a subject rent rate of \$12.50 per square foot is found to be reasonable.

In summary, the Board finds \$12.50 per square foot to be the appropriate rent rate to apply to the subject property for assessment purposes.

Board's Decision:

The subject assessment is reduced to \$1,820,000.

DATED AT THE CITY OF CALGARY THIS 30th DAY OF SEPTEMBER 2011.



C. McEwen
Presiding Officer

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

NO.	ITEM
1. C1	Complainant Disclosure
2. R1	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.*

FOR ADMINISTRATIVE USE

Subject	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Office	Low Rise	Income Approach	Net Market Rent / Lease Rates