

**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:

3534537 Canada Inc. (as represented by Altus Group Limited), COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

K. D. Kelly, PRESIDING OFFICER

I. Fraser, MEMBER

R. Deschaine, 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:	067153593
LOCATION ADDRESS:	1310 – 14 AV SW
HEARING NUMBER:	62135
ASSESSMENT:	\$26,930,000

This complaint was heard on 26th day of September, 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Ave. NE, Calgary, Alberta, Boardroom 5.

Appeared on behalf of the Complainant:

- *Mr. J. Weber, Altus Group LTD.*
- *Mr. D. Mewha, Altus Group LTD.*

Appeared on behalf of the Respondent:

- *Mr. D. Lidgren Assessor, City of Calgary*

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

None

Property Description:

The subject is a 1980 era multi-storey residential building on 14 AV SW in the Calgary beltline. It contains 88 one-bedroom and 91 two-bedroom suites assessed at a "typical" \$950 and \$1,100 per month respectively. The one-bedroom suites include 57 "small" and 31 "larger" units. The subject is assessed using a typical 5% vacancy and 13.00 Gross Income Multiplier (GIM) at \$26,930,000.

Issues:

1. The Gross Income Multiplier (GIM) should be 12.50 and not 13.00.
2. The typical residential rent rates used in the assessment are incorrect at \$950 and \$1,100 per month respectively.

Complainant's Requested Value: \$24,270,000

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

Issue # 1: "The Gross Income Multiplier (GIM) should be 12.50 and not 13.00."

Complainant's perspective:

The Complainant provided his Brief C-1 and described the location and attributes of the subject. He argued that the typical market GIM of downtown/beltline high-rise buildings is 12.50 and not 13.00, based on an Altus GIM Study as prepared by the Altus Appraisal Division. On page 9 of C-1 he provided a re-calculation of the assessment using inferred Altus parameters, particularly from the subject's rent roll on pages 44 to 46, comparing it to the City's values. Based upon this new information, he argued the assessment should be \$24,270,000 instead of the City's \$26,930,000.

The Complainant argued on page 11 of C-1 that accepted appraisal theory suggests the following:

“Gross income multipliers may be used to compare the income-producing characteristics of properties in the direct comparison approach and to convert gross income streams into property value in direct capitalization. The ratio of the sale price of a property to its annual gross income at the time of sale or projected over the first year or several years of ownership is the gross income multiplier.”

On page 12 of C-1 the Complainant added:

“...the appropriate appraisal methodology is to calculate the capitalization rates from comparable sales utilizing actual income and deduct a vacancy and expense allowance in a consistent manner.”

On page 14, the Complainant provided five high-rise market sale comparables in a matrix titled “Altus Downtown/Beltline High Rise GIM Study” as follows:

	835 - 6 AV SW	1702 - 23 AV SW	1140 - 14 AV SW	725 - 15 AV SW	813 - 13 AV SW
Sale price	\$18,500,000	\$3,915,000	\$4,896,000	\$5,024,000	\$7,065,000
Sale date	2-Apr-09	27-Apr-10	27-Apr-10	16-Dec-10	16-Dec-10
No. Of suites	119	27	32	32	45
No. Bachelor					1
1- Br	81	16	22	17	21
2- Br	38	11	10	15	23
Age	1965	1969	1965	1967	1966

Bachelor rent					\$950
1 Br rent	\$975	\$1,015	\$1,015	\$1,015	\$1,015
2 Br rent	\$1,150	\$1,200	\$1,200	\$1,200	\$1,200
Commercial value	\$1,044,325				
Residential Income	\$1,472,100	\$353,280	\$411,960	\$423,060	\$598,380
Vacancy %	5%	5%	5%	5%	5%
Vacancy \$	\$73,605	\$17,664	\$20,598	\$21,153	\$29,919
EGI	\$1,398,495	\$335,616	\$391,362	\$401,907	\$568,461
GIM	12.48	11.67	12.51	12.50	12.43

Average	12.32
Median	12.48

The Complainant clarified that both he and the City agree with the data presented by the first sale at 835 - 6 AV SW - a downtown property. The remaining 4 sales are beltline properties. He suggested that all 5 buildings were of “Average” or “Good” quality. He noted that the rents shown are “Assessed Rents” and not “actual rents” from the rent rolls for the 5 properties. He suggested that “the City treats the beltline and downtown properties the same”, although he acknowledged that in his matrix, different “typical” rents were noted for the one downtown, and for the four beltline examples.

On page 15 of C-1 the Complainant provided a second matrix entitled “Altus Downtown/Beltline High-Rise ASR Analysis” using the same 5 sales as on his page 14. He argued that by using a 12.50 GIM for each of the 5 sales, the Assessment To Sale Ratio (ASR) approaches the desired 100%. He provided the following:

	835 - 6 AV SW	1702 - 23 AV SW	1140 - 14 AV SW	725 - 15 AV SW	813 - 13 AV SW
Sale price	\$18,500,000	\$3,915,000	\$4,896,000	\$5,024,000	\$7,065,000
Sale date	2-Apr-09	27-Apr-10	27-Apr-10	16-Dec-10	16-Dec-10
No. Of suites	119	27	32	32	45
No. Bachelor					1
1- Br	81	16	22	17	21
2- Br	38	11	10	15	23
Age	1965	1969	1965	1967	1966

Bachelor rent					\$950
1 Br rent	\$975	\$1,015	\$1,015	\$1,015	\$1,015
2 Br rent	\$1,150	\$1,200	\$1,200	\$1,200	\$1,200
Commercial value	\$1,044,325				
Residential Income	\$1,472,100	\$353,280	\$411,960	\$423,060	\$598,380
Vacancy %	5%	5%	5%	5%	5%
Vacancy \$	\$73,605	\$17,664	\$20,598	\$21,153	\$29,919
EGI	\$1,398,495	\$335,616	\$391,362	\$401,907	\$568,461
GIM	12.50	12.50	12.50	12.50	12.50
Altus Asmt	\$17,481,188	\$4,195,200	\$4,892,025	\$5,023,838	\$7,105,763
Altus ASR	94.49%	107.16%	99.92%	100.00%	100.58%

The Complainant argued that Altus had tested their page 14 matrix results on page 15 by using a 12.50 GIM and found that the ASR for the majority of his property comparables achieved a near-perfect rating of 100%. Therefore, he argued, the market indicates a 12.50 GIM for these properties and the subject. In addition, he clarified that none of his market sales have been time-adjusted because they all occurred in what he considered to be the assessment “base year”.

On page 16 of C-1 the Complainant identified a third matrix of 4 high-rise property comparables, to support from an equity perspective, the assessed rents he used in his page 16 matrix above herein. He presented:

address	2011 asmt	MRZ	storeys	units	bach	1's	2's	3's	bach	1's	2's	3's	vac	GIM
1307 - 12 st sw	\$21,980,000	2	7	118	1	34	79	4	\$925	\$1,150	\$1,300	\$1,800	6.00	13.00
1030 - 16 av sw	\$23,820,000	2	12	142		43	99			\$1,015	\$1,200		6.00	13.00
1320 - 16 av sw	\$31,520,000	2	12	191		77	114			\$1,015	\$1,200		6.00	13.00
617 - 15 av sw	\$10,650,000	2	9	63		16	47			\$1,015	\$1,200		6.00	13.00

The Complainant clarified that the first building at 1307 – 12 ST SW is rated as a “Good Quality” building whereas the latter three are close to each other and are rated as “Average Quality”. The Complainant provided an exterior photo and the City’s “Multi-Residential Detail Report” identifying the valuation parameters used to assess the 1320 – 16 AV SW property. He noted that he had used the “typical” one and two bedroom rent values identified in this City Report, for 4 of the 5 properties in his page 14 (C-1) matrix.

The Complainant referenced pages 22 and 23 of his C-1 brief. He introduced an “Altus Appraisal Division – Downtown/Beltline GIM Analysis” and a matrix entitled “Multi-Residential Summary Report” prepared by the “Altus Appraisal Division” which offered its GIM calculations of the Complainant’s 5 sales on his page 14. The detailed information for these 5 sales were identified in Altus “Transaction Data Sheets” on pages 24 – 28. It was noted that these GIM values differed slightly from the Complainant’s page 14 values as follows:

Address	Average income /suite	\$/suite	GIM	Page 14 GIM
725 – 15 AV SW	\$1,044.16	\$157,000	12.15	12.50
813 – 13 AV SW	\$1,029.28	\$157,000	12.71	12.43
1702 – 23 AV SW	\$1,016.70	\$145,000	11.88	11.67
1140 – 14 AV SW	\$1,038.96	\$153,000	12.27	12.51
835 - 6 AV SW	\$1,242.12	\$155,462	10.32	12.48

The Complainant clarified that the reason for the GIM differences was that the Altus Appraisal Division “likely used different rents and vacancy rates.” The Complainant introduced one 2010 Calgary Composite Assessment Review Board Decision CARB 2298/2010-P, one 2009 and one 2010 Municipal Government Board (MGB) Decisions to support his GIM identification methodology, but determined that they were, in his words, “not too applicable” to the current circumstances.

On pages 30 to 33 of C-1 the Complainant provided an excerpt of a City of Calgary “Assessment Brief” prepared for last year’s (2010) appeal hearing of a building other than the subject or any of his comparables. On page 32 he referenced what he termed “the City’s 2010 High Rise GIM study”, a matrix of seven 2008 and 2009 sales, one of which was 835 – 6 AV SW, a comparable property he is using this year (2011). He noted that in 2010 the City had calculated a GIM of 12.48 for this property and Altus had agreed with that value.

He also referenced a 2010 City of Calgary matrix on page 33 of C-1 entitled “2010 High Rise GIM Study Summary”. He noted that for beltline and downtown properties the City had identified GIM values of – mean 13.39; median 13.10; minimum 12.48; and maximum 15.51. The Complainant argued that the City had apparently not adjusted the GIM for 2011 from that used in 2010.

On pages 44 to 46 of C-1 the Complainant provided a portion of the subject’s 2010/07/02 rent roll displaying existing and recently-signed residential rents for the subject. He argued that this data shows median residential rents ranging from \$875 and \$965 for 1-Br. units of increasingly larger size, and \$995 for 2-BR. units. He argued that this data demonstrates that the subject is assessed incorrectly.

Respondent's Perspective:

The Respondent tendered his Brief R-1 and argued that the entire basis of the Complainant's GIM argument is significantly flawed. He pointed to the following;

Firstly, the Respondent argued that the Complainant is using market sales and equity comparables from buildings which are not comparable to the subject. He noted the subject is an "Average" or "C" quality building and the Complainant uses data from "Good" or superior "B" quality buildings which are assessed using different, generally higher, rent parameters than the subject. He suggested that in his property comparables, the Complainant uses the data from superior buildings to achieve a higher income and therefore a lower GIM. He argued therefore that by mixing certain data sets, the resulting calculations automatically create a flawed set of values.

The Respondent pointed to the Complainant's use of higher "typical" values used in three of his sale comparables, 813 – 13 AV SW; 725 – 15 AV SW and 1140 – 14 AV SW. He presented the Rent rolls for each of the three on pages 99 to 117 of R-1 which showed actual rents lower than the typical rents used by the Complainant. In addition he noted that for 1140 – 14 AV SW the Complainant used typical rents of \$1,015 and \$1,200 for one and two bedroom units when in fact it was assessed using \$950 and \$1,100. Therefore, the Complainant's data is flawed and the analytical results unreliable.

Secondly, in his page 14 GIM study, the Complainant relies on two sales which are "*post facto*" to the current assessment cycle. That is, they occurred after June 30, 2010. The two sales are 725 – 15 AV SW and 813 – 13 AV SW – both of which apparently sold December 16, 2010, some 6 months after the Legislated cut-off for assessment purposes. Hence, he argued, any purchaser on July 1, 2010 for example would have no knowledge of a later sale (*post facto*) that might occur in 2010. Therefore, these two sales would not have been used in 2011 to calculate the GIM for any comparable property types, including the subject. To do so he argued is improper as confirmed by several previous Municipal Government Board (MGB) and Assessment Review Board Decisions, and in particular, recent Decision ARB 0665/2011 – all of which was provided on pages 119 to 123 of R-1;

Thirdly, the Complainant's sale at 1702 – 23 AV SW is an "Affordable Housing" Condominium high-rise building where all 27 individual units were sold together as a "package". It is completely unlike the subject which is not a Condominium property and is owned in its entirety by one entity. He provided the RealNet and Alberta DataSearch transaction sheets for the sale on pages 87 to 90 of R-1.

Fourthly, the reported date of the Complainant's 1140 – 14 AV SW sale (page 14 C-1) is November 3, 2009 and not April 27, 2010 and therefore the Complainant's data contains an important factual error, the importance of which is highly relevant in analysis. He noted that when calculating value, the City uses input data relevant to and based on the year of sale. The Respondent also clarified on page 81 (Alberta Datasearch sheet) that at the time of sale the Effective Gross Income (EGI) for 1140 – 14 AV SW was \$336,000 not \$411,960 as reported by the Complainant in his GIM Study on page 14 of C-1. In addition, the 2011 EGI was reported as \$359,832. Therefore, the Respondent argued that the Complainant's data is unreliable.

Fifthly, the Complainant has provided no rent rolls for any of his comparable buildings and is therefore arbitrarily and erroneously using higher "assessed" rents from other non-comparable buildings. The Respondent again argued that this leads to flawed results. He also argued therefore that the Complainant's methodology is contrary to accepted appraisal theory and practice where it is also deemed to be improper to use assessments to create assessments.

And lastly, the Respondent argued that the Complainant failed to relate any of his 5 market sales back to the subject to demonstrate any level of comparability between them, and therefore, there is no support for any of the Complainant's GIM calculations. Moreover he noted, all else being equal, even if one were to change the GIM to 12.5 from 13, the resultant change in assessment would amount to approximately 6.29%, which is reasonably consistent with the generally-accepted 5% (plus or minus) tolerance in Mass Appraisal.

The Respondent also clarified that in the Complainant's "ASR Analysis" on page 15 of C-1 the calculations shown contain certain factual errors. For example, and as noted in part above, he noted that the Complainant's Effective Gross Income (EGI) for both 725 – 15 AV SW and for 1140 – 14 AV SW are incorrect. He further noted that City had also analyzed and used the latter sale in its market valuation process as well. On page 99 of R-1 he provided the City's 2011 Assessment Request for Information (ARFI) document for the site and argued that when the correct EGI is used, the indicated GIM is 12.86 and not 12.51.

On page 98 the Respondent also provided the City's "Multi-residential Detail Report" for the latter property (1140 – 14 AV SW) and noted that its assessed rents are \$950 and \$1,100 for one and two bedroom units respectively, and not the \$1,015 and \$1,200 used by the Complainant. In addition, on page 112 of R-1 the Respondent provided the rent roll for 725 – 15 AV SW and noted that the actual rents in that property are lower than those used by the Complainant in his alternate calculations of value. The actual rents ranged from \$950 to \$1,100 per month for one and two-bedroom units whereas the Complainant had used \$1,015 and \$1,200. He argued that the City has used rents which are realistic for the building comparables – all as identified by an ARFI where available. He also argued that by improperly using incorrect high rents, the Complainant achieves a lower GIM, which is a flawed methodology.

On page 124 of R-1 the Respondent referenced the Complainant's four equity comparables from page 16 of C-1 noting that they are all "high quality" properties assessed at higher than normal rates for beltline high-rise properties and are therefore not comparable to the subject. He added that the average assessed rents used in the Complainant's five sales is \$950 and \$1,100 for one and two bedroom units and not the \$1,015 and \$1,200 used by the Complainant in both his equity chart on page 16 of C-1 and his sales data on page 14.

The Respondent referenced the Complainant's rent roll for the subject and noted the Complainant had failed to include certain valid 2009 rents in his calculation of median rent values for the subject. He argued that when these values are included, the actual median rent calculations for all types of units in the subject is greater than that identified for the Board and used by the Complainant in his alternate calculations of overall value for the subject.

The Respondent referred to a matrix (see below on page 8) of his own 5 time-adjusted market sales on page 61 in his brief R-1. He noted that all sales were of "Average" quality high-rise buildings predominantly in the beltline although one is in the downtown core – that being 835 – 6 AV SW. He noted that three sales: i.e. 915 – 13 AV SW; 1122 – 15 AV SW; and 930 – 15 AV SW, were 2008 sales, while two others – i.e. 835 – 6 AV SW and 1140 – 14 AV SW were 2009

sales. He clarified that all five sales had been time-adjusted as per sound appraisal practice whereas the Complainant's were not. He further noted that the Complainant had also used the latter two sales, but had analyzed them quite differently than the City. He clarified that to correctly value each of the 5 properties in the sale year, the City uses the typical valuation parameters that were common to that year – i.e. for 2008 sales, the 2008 typical valuation inputs are used, and for 2009 sales, the typical 2009 valuation inputs are used. He also clarified that the Complainant has not followed this methodology and hence his results are flawed and unreliable.

The Respondent argued that having used year-specific values, the City's analysis of its five market sales (shown below) reveal GIM values that support the 13 GIM used to assess the subject. He noted on page 62 of R-1 that the average GIM is 12.89 and the median GIM is 13.03. The Respondent argued that when the sales – particularly those of the Complainant's (two sales), are time-adjusted and the correct year valuation parameters used, not only is the correct GIM achieved, but the Assessment To Sale Ratios (ASR) fall within the mandated range of 95% to 105% under Mass Appraisal.

The Respondent provided the following analytical matrix (pg 61) containing his five market sales. He also provided the RealNet sheets for each sale, commencing on page 63 of R-1.

	915 – 13 AV SW	1122 – 15 AV SW	930 – 15 AV SW	835 – 6 AV SW	1140 – 14 AV SW
Market area	MR2	MR2	MR2	MR1	MR2
Community	Beltline	Beltline	Beltline	DT Com Core	Beltline
No. Of suites	33	84	64	121	32
No. Bachelor	0	0	0	0	0
1- Br	21	50	42	81	22
2- Br	12	34	22	38	10
Year of construction	1982	1979	1976	1964	1965

1 Br rent	\$975	\$975	\$975	\$975	\$975
2 Br rent	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150
PGI	\$411,300	\$1,054,200	\$795,000	\$1,472,100	\$395,400
vacancy	2%	2%	2%	2%	2%
Year of sale used	2008	2008	2008	2009	2009
Typical EGI – year of sale	\$403,074	\$1,033,116	\$779,100	\$1,398,495	\$375,630
Commercial assessed value	0	0	0	\$1,044,325	0
GIM sale price/typical EGI year of sale	13.10	12.70	13.14	12.48	13.03
Sale date	21 Aug. 08	26 Aug. 08	20 Oct. 08	02 April 09	03 Nov. 09
Sale price	\$5,280,000	\$13,121,120	\$10,240,000	\$18,500,000	\$4,896,000
Price per suite	\$160,000	\$156,204	\$160,000	\$144,262	\$153,000
Time/adjusted sale price	\$4,852,320	\$12,058,309	\$9,594,880	\$18,333,500	\$4,896,000
Time/adjusted sale price per suite	\$147,040	\$143,551	\$149,920	\$142,886	\$153,000
2011 assessment	\$4,839,120	\$12,449,736	\$10,122,559	\$17,461,180	\$4,677,816
ASR (sale price)	92%	95%	99%	94%	96%
ASR (time adjusted sale price)	100%	103%	105%	95%	96%

The Respondent argued that the information illustrated in the foregoing matrix contains time-adjusted year-of-sale specific data, as well as confirmed site data from building-specific rent rolls and ARFI documents and is therefore accurate and reliable. He argued this data demonstrates that the City's market data, inputs, and analytical processes, have produced a realistic and accurate GIM of 13 which has been consistently applied to all other comparable properties.

The Respondent provided three Calgary Composite Assessment Review Board (CARB) Decisions – CARB 227/2010-P; CARB 2249/2010-P; and CARB 2250/2010-P which he argued applied to three properties similar to the subject. He argued that in the three Decisions, the Boards found the Altus GIM study to be flawed for similar reasons as outlined today in this hearing, and confirmed the assessments. The Respondent requested that the Board confirm the assessment of the subject at \$26,930,000.

Board's Decision in Respect of Issue #1 - Reasons

1. The Board considers that the Complainant's position regarding Issue #1 fails for the following reasons:
 1. While the Respondent alleged and the Complainant acknowledged that he had intermixed "Good Quality" and "Average Quality" equity comparables on pages 14 and 16 of C-1, the Board considered that it received insufficient information to determine the comparability of each of the subject and reported comparable buildings and the rents assigned to them as advanced by both parties. It was apparent to the Board from the extensive evidence (rent rolls, equity charts, assessment sheets, etc.) regarding this point, that the Complainant had used rent data in his GIM calculations that were incorrect. The Board considered that quality notwithstanding, the resulting GIM and related calculations prepared by the Complainant were unreliable.
 2. The Complainant provided five market sales – two of which (725 – 15 AV SW and 813 – 13 AV SW) are "*post facto*" by at least 6 months (Dec. 16, 2010) and would not have been available for use in the City's 2011 assessment process for the subject or any property. The Board places little weight on these two sales for the current assessment year.
 3. A third Complainant sale at 1702 – 23 AV SW is a 27-unit Condominium property which the subject is not. The RealNet and ADS sale documents, as well as the Alberta Land Titles documents provided by the Respondent confirm that it was acquired by the "Calgary Homeless Foundation" and that – according to RealNet, the "*rental income stream was not the primary motivating factor for the acquisition*". This sale cannot be considered as being a comparable property for the purposes of determining the subject assessment.
 4. The Board accepts the Respondent's evidence which demonstrates that the Complainant's sale at 1140 – 14 AV SW as shown on page 16 of C-1 contains several factual errors and hence the indicated GIM, and the Assessment to Sale Ratio (ASR) calculated from its parameters are unreliable.

5. The Complainant is then left with one sale which the City has accepted as valid and has used in its broader analysis of the market. However the Board considers that this one sale is insufficient to demonstrate that the "typical" GIM used by the City is incorrect.
6. The Board accepts that the City has adjusted and analyzed its 2008 and 2009 market sales by using year-of-sale-specific parameters to identify appropriate GIM values. It has then used those values in the 2011 assessment cycle. The Complainant however has opted instead to use current year "typical" assessment parameters which have resulted in unreliable flawed values. The Complainant also provided a rent roll which, upon examination of all of the residential rent values contained in it, supports the assessed rent values.
7. In addition, unlike the Respondent, the Complainant has failed to "time-adjust" his sales pursuant to accepted industry practice. The Board does not accept the Complainant's argument that just because the sales occurred in the so-called "base year" they do not need to be time-adjusted at all.
8. The Board accepts the 5 time-adjusted market sales as advanced by the Respondent as having been properly analyzed with sale-date-specific data, based upon a broader analysis of the market zone in which they are located. These sales on the whole were largely unchallenged by the Complainant and support the assessed GIM of 13. They also demonstrate Assessment to Sale Ratios (ASR's) that are within the accepted .95 to 1.05 range for Mass Appraisal.
9. Given the foregoing, the Board will not reduce the GIM from 13 to 12.5 as requested by the Complainant.

Issue #2 : "The typical residential rent rates used in the assessment are incorrect at \$950 and \$1,100 per month respectively."

Complainant's Perspective

The Complainant argued the subject is atypical and provided an alternate calculation of value for the subject in a matrix on page 9 of C-1 using the suite rent values he gleaned from the rent roll which he provided on pages 44 to 46 of C-1. The matrix appeared as follows:

Highrise – 1310 – 14 AV SW	Altus	City DT Assessment
1 Bed small units rent	57 \$875	
1 Bed units rent	31 \$965	88 \$950
2 bed units rent	91 \$995	91 \$1,100
PGI	\$2,044,020	\$2,204,400
Vacancy	5.0%	6.0%
EGI	\$1,941,819	\$2,072,136
GIM	12.50	13.00
Residential value	\$24,272,738	\$26,937,768
Requested assessment	\$24,270,000	\$26,930,000

The Complainant argued that this data confirms that the subject is over-assessed.

Respondent's Perspective:

The Respondent argued that the Complainant's analysis is flawed. He argued that the Complainant has used actual values from the subject's rent roll whereas the assessment was calculated using "typical" values from the broader community as is required under Mass Appraisal.

Moreover, the Respondent argued that while the Complainant is using \$875 and \$965 per month for one-bedroom units, and \$995 per month for 2-bedroom units, when one examines the rent roll for the subject as supplied by the Complainant, it is unclear as to precisely where this data comes from. He argued that the Complainant has used only 2010 leases/rents to calculate monthly rent values in the subject, but when the 2009 leases are included, the rent/lease values change and closely match those assessed. Therefore, he argued the subject is not atypical.

The Respondent argued that the rent roll supplied for the subject by the Complainant supports the assessment.

Board's Decision in Respect of Issue #2 - Reasons

The Board considers that the Complainant's position regarding this Issue fails for the following reasons:

1. The Board is convinced from the evidence and argument presented that the rent roll for the subject as provided by the Complainant supports the assessment. While the Complainant limited his rent analysis to only 2010 monthly rents, it is clear to the Board that when valid 2009 rent values are included, the resulting values very closely approximate the "typical" rents used to assess the subject.
2. The Board disagrees with the Complainant that the subject is not typical because the rent roll provided in the Complainant's own evidence, supports the assessed suite/unit values.
3. The Board finds that both the Respondent's and the Complainant's evidence supports the assessed value and therefore the Board will not make any change to any of the typical monthly rent/lease rates (per suite) used to assess the subject.

Board's Decision:

The assessment is confirmed at \$26,930,000.

DATED AT THE CITY OF CALGARY THIS 27 DAY OF October 2011.


K. D. Kelly,

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 Only

Appeal Type	Property Type	Property Sub-type	Issue	Sub-Issue
CARB	Multi-family	high rise	GIM comparable market value vs actual rents	Market zone comparisons