

**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:**

***Larry and Michael Katz (as represented by Cushman and Wakefield Property Tax Services), COMPLAINANT***

**and**

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

**before:**

***T. Golden, PRESIDING OFFICER  
J Kerrison, MEMBER  
J Massey, 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: 079008207**  
**LOCATION ADDRESS: 1801 2 St SW**  
**HEARING NUMBER: 62418**  
**ASSESSMENT: \$1,090,000.00**

This complaint was heard on 14 day of October, 2011 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- *J. Goresht, S. Urbana*

Appeared on behalf of the Respondent:

- *A. Cornick*

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

There were no procedural matters in this case.

**Property Description:**

This is a multi residential structure containing 4 units located in the Mission district of the City. The land is zoned for multi residential units and this structure was built in 1950.

**Issues:**

- 1) Is the sales approach an appropriate method to calculate market value in this case?

**Complainant's Requested Value:** \$644,000.00

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

- 1) The sales approach is the appropriate method to calculate market value in this case.

The Complainant pointed out that the data on the City website indicated that multi residential properties in the City will be assessed using an income calculation to determine market value. The detailed information for the subject property provided, upon request, by the City also indicated the use of the income approach. However the City actually used the sales approach to determine market value. Using the potential gross income from the City information the Complainant made some assumptions including a 16 gross income multiplier. This calculation resulted in the requested assessment amount of \$644,000.00. The Complainant was of the opinion that this value was more equitable to surrounding properties.

The Respondent explained how the assessment was completed. The Complainant should have noticed at the bottom of the Detail Report provided by the City is an entry entitled "adjustment factor". In that space is a code "HBU.LO" which means even though the above information suggested the income approach was used the sales approach was actually used to generate

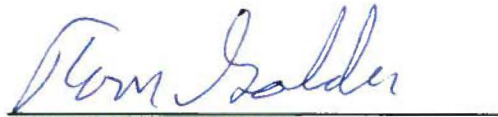
the assessment. In this case it was felt by the Respondent that the income approach did not give a true market value and the sales approach better reflected market value. Three sales comparables were presented by the Respondent to support the \$160.00 per square foot (sq. ft.) rate applied to the subject. The mean value of the Respondents comparables was \$183.00 per sq. ft. which is higher than the value used and therefore supports the assessment.

The Board found the sales evidence provided by the Respondent more convincing than the income approach provided by the Complainant. The sales evidence used similar parcel sizes and the comparables were in close proximity to the subject. In particular the sale at 1723 9 ST SW was a similar size of property with an older structure and a time adjusted sale price of \$158.00 sq. ft. These comparables supported the assessment. The income approach provided to the Board was less convincing as the assumptions used were not well substantiated.

**Board's Decision:**

The Board confirms the assessment at \$1,090,000.00

DATED AT THE CITY OF CALGARY THIS 25 DAY OF November 2011.



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.*

Appeal Type	Property Type	Property Sub-Type	Issue	Sub-Issue
CARB	Residential	walk up	Sales approach	Land value