

**CALGARY
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, Section 460, Revised Statutes of Alberta 2000 (the Act).

between:

292561 Alberta Inc., as represented by Colliers International, COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

S. Barry, PRESIDING OFFICER

J. Mathias, MEMBER

J. Pratt, 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 2011 Assessment Roll as follows:

ROLL NUMBER:	079011409
LOCATION ADDRESS:	327 19 Av S.W. Calgary, AB
HEARING NUMBER:	64577
ASSESSMENT:	\$1,070,000

This complaint was heard on the 26th day of October, 2011 at the office of the Assessment Review Board located at Floor Number 3, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 9.

Appeared on behalf of the Complainant:

- *M. Uhryn, Colliers International*

Appeared on behalf of the Respondent:

- *E. Currie, City of Calgary*

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

There were no procedural or jurisdictional matters raised at the hearing.

Property Description:

The subject property is a 12 unit, 2.5 story, walk-up apartment building built in 1958, containing 10 bachelor and 2 1-bedroom suites. The property is located in the Mission Community within Market Area 2. It is assessed on the Income Approach to value using monthly rents of \$525 per bachelor unit, \$750 per 1-bedroom unit, a vacancy allowance of 5.5 per cent and a Gross Income Multiplier (GIM) of 14.

Issues:

The Complainant does not dispute the rents or vacancy rate.

It is the Complainant's contention that the market value of the property is best achieved using a GIM of 11.3.

Complainant's Requested Value: The assessment requested on the Complaint Form was \$770,000. The request was revised in the Complainant's Disclosure document to \$860,000.

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

In support of his argument, the Complainant provided a sales comparison chart of 12 properties from all four quadrants of the City that indicated a median GIM of 11.7. From this group, 5 properties were selected by him as being most comparable to the subject being located specifically in the SW and demonstrated a median GIM of 11.3. Sales range from September 2008 to March 2010. Unit numbers range from 11 to 23 and year of construction ranges from 1928 to 1970. The stated GIM for the properties ranged from 9.76 to 13.6. The information in the chart was supported, to some extent, by RealNet reports on the sales and City of Calgary Assessment Summary Reports. The Complainant stated that typical rents at the time of sale were used in the income calculations but there was no statement of suite mix in the chart and no rent rolls or income detail were provided for the properties to support the calculated GIM and,

in fact, no details of the GIM calculation were in evidence. The Complainant selected the properties at 1420 4 St. and 1032 Cameron Av as being his best comparables.

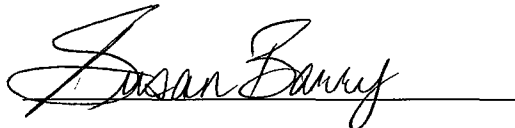
The Respondent's evidence showed that three of the Complainant's sales, including his two best comparables, were not located in the same community as the subject: one being in Beltline and two in Lower Mount Royal. Typical rents developed by the City for these areas showed that much different rents were being achieved in these areas and that, therefore, the properties were not truly comparable. The Respondent's detail also provided suite mixes for the three properties that again supported the contention that the selected properties were not comparable to the subject. The Respondent also challenged the validity of two of the sales. The Board, however, does not intend to rule on that issue because it is not relevant to the final decision.

The Complainant did not provide the Board with sufficient detail to substantiate the requested GIM: there was no appropriate GIM study; no rent rolls were provided and any details of suite mix were buried in the RealNet Reports. It is the Board's position that while there is some supporting information in the Disclosure package, it is not the Board's responsibility to do the Complainant's analysis for him. In the absence of evidence, there is no reason to revise the assessment.

Board's Decision:

The 2011 assessment is confirmed at \$1,070,000

DATED AT THE CITY OF CALGARY THIS 7 DAY OF November 2011.



S. Barry, Presiding Officer

APPENDIX "A"

**DOCUMENTS PRESENTED AT THE HEARING
AND CONSIDERED BY THE BOARD:**

NO.	ITEM
1. C1	Complainant's Disclosure
2. R1	Respondent's 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.*