

**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:

***308688 Alberta Ltd., (as represented by Assessment Advisory Group Ltd.),
COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

***C. McEwen, PRESIDING OFFICER
K. Coolidge, MEMBER
Y. Nesry, 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: 067215301

LOCATION ADDRESS: 1170 MEMORIAL DR NW

HEARING NUMBER: 62404

ASSESSMENT: \$1,400,000

This complaint was heard on the 1st day of November, 2011 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, AB, Boardroom 5.

Appeared on behalf of the Complainant:

- T. Howell

Appeared on behalf of the Respondent:

- S. Poon

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

There were no jurisdictional or procedural matters raised by either party.

Property Description:

The subject property is a lowrise apartment building, constructed in 1980, located in the Hillhurst district of NW Calgary. The 0.14 acre parcel is improved with a 3 story structure containing 10 apartment units (6 one-bedroom, 4 two-bedroom). The subject is assessed as a lowrise apartment (MR0201) using the Income Approach to Value at \$140,000 per unit.

Issues:

Is the subject property assessed higher than market value and is the assessment, therefore, inequitable to comparable properties? Specifically, should the Gross Income Multiplier (GIM) used to assess the subject property be reduced from 14.00 to 13.00?

Complainant's Requested Value:

\$1,303,575

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

The Board finds the GIM used to assess the subject property to be correct for the following reasons:

- The Complainant provided two sales comparables to support a reduction in the subject GIM. One of the comparables, located at 833 1 AVE NW, sold in August, 2008. In the Complainant's Valuation Request (C1, page 41), the Complainant used the city's 2010 typical inputs to calculate the comparable's Effective Gross Income (EGI) which was applied to the non time-adjusted 2008 sale price to derive the comparable's (GIM). The Board does not accept the Complainant's methodology to derive the comparable GIM as the typical inputs from 2008, the year of the sale, should have been used in the calculation, not those from 2010. To do otherwise, creates inconsistency and distorts the final result.
- The Board does not accept the Complainant's remaining sales comparable located at 1404 1 ST NW as sufficient evidence to support the requested reduction. The Board requires evidence that an assessment falls outside a range of values to be convinced

that inequity exists in the assessment under complaint and, clearly, a single comparable cannot demonstrate the required range of values.

- The Board accepts the Respondent's GIM Study (R1, page 27) as fully supporting the GIM as assessed. The median GIM of the seven properties is 14.01.
- The Board also accepts the Respondent's Assessment Comparables chart (R1, page 45) that demonstrates the equitable application of the city's typical inputs to four similar properties.

Board's Decision:

The subject assessment is confirmed at \$1,400,000 due to insufficient evidence to support the requested assessment amount.

DATED AT THE CITY OF CALGARY THIS 2 DAY OF December 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	Residential	Townhouse	Income Approach	Gross Income Multiplier