

**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:

***Pyarali Allibhai Mitha, (as represented by Assessment Advisory Group Ltd.),
COMPLAINANT***

and

The City Of Calgary, RESPONDENT

before:

***C. McEwen, PRESIDING OFFICER
P. Grace, 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: 072181209

LOCATION ADDRESS: 907 44 ST SE

HEARING NUMBER: 62697

ASSESSMENT: \$848,000

This complaint was heard on the 2nd 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:

- N. Domenie
- M. Hartmann

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 townhouse development, constructed in 1976, located in the Forest Lawn district of SE Calgary. The site is improved with a 1.5 story structure containing six 2-bedroom units. The subject is assessed as a lowrise apartment (MR0401) using the Income Approach to Value at \$139,680 per unit.

Issues:

Is the subject property assessed higher than market value? Specifically, should the Gross Income Multiplier (GIM) used to assess the subject property be reduced from 16.00 to 14.00?

Complainant's Requested Value:

\$742,000

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 three sales comparables to support the request for a reduction in the subject GIM. Two of the comparables are not accepted by the Board, however, because they are not the same unit type as the subject. The comparables located at 2012 40 ST SE and 2444 42 ST SE are assessed as 4 plex properties (MR 0802) whereas the subject property is a town house development (MR0401). As the city applies different rent and vacancy inputs to derive the typical GIM for each property type, mixing the two property types as the Complainant has done, results in a flawed analysis.
- The Complainant's third comparable, located at 1108 36 ST SE, sold in late October, 2008. In the Complainant's Valuation Request (C1, page 44), the Complainant used the city's 2010 typical inputs to calculate this comparable's Effective Gross Income (EGI) which was subsequently applied to the non time-adjusted 2008 sale price to derive the

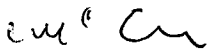
comparable's GIM. The Board does not accept the Complainant's methodology to derive the comparable GIM as the typical inputs from the year of the sale (2008) should have been used in the calculation. To do otherwise, creates inconsistency in the calculations.

- In addition, the Board does not accept the Complainant's only remaining comparable 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 the assessment should be altered and, clearly, a single comparable cannot demonstrate the required range of values.
- The Board accepts the Respondent's GIM Study (R1, page 26) as fully supporting the GIM as assessed. The median GIM of the five properties presented by the Respondent is 15.39.

Board's Decision:

The subject assessment is confirmed at \$848,000.

DATED AT THE CITY OF CALGARY THIS 21 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