

**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(4).

between:

Altus Group Ltd., COMPLAINANT

and

The City Of Calgary, RESPONDENT

before:

R. Irwin, PRESIDING OFFICER

H. Ang , MEMBER 1

D. Julien, MEMBER 2

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 2010 Assessment Roll as follows:

| | |
|--------------------------|---------------------------|
| ROLL NUMBER: | 068127802 |
| LOCATION ADDRESS: | 1109 MACLEOD TR SE |
| HEARING NUMBER: | 56042 |
| ASSESSMENT: | \$1,570,000 |

This complaint was heard on 10th day of September, 2010 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 10.

Appeared on behalf of the Complainant:

- *D. Mewha* (Altus Group Ltd.)

Appeared on behalf of the Respondent:

- *D. Grandbois* (City of Calgary)

Preliminary Matters:

No issues identified by either party. The merit hearing proceeded.

Property Description:

The subject property is a 4565 sq. ft. building built in 1958 on a 6998 sq. ft. site located at 1109 Macleod Trail SE. The property is assessed at \$1,570,000 as land value only. This is based on the "highest and best use" principle by applying a rate of \$215.00 per sq ft and a +5% adjustment for a corner lot site influence.

Issues:

The issues identified on the complaint form were:

- #3 - an assessment amount
- #4 - an assessment class

Complainant's Requested Value:

The requested value on the attachment included with the complaint form was \$960,000. This was revised to \$870,000 in the evidence and at the hearing.

Board's Findings:

The Complainant's argument included a request that the income approach would be more appropriate for the subject property because of the age and nature of the property as it was now used for office and not as retail. The Complainant added that a \$17.00 per square foot rental rate with a 8.5% vacancy rate and a Capitalization Rate of 7.5% should be applied. The Complainant also presented "Market Reports" from Avison Young and Colliers and there was also a list of Office comparables presented.

The Respondent replied that given the age of construction (1958) and the marginal quality of the building, the subject property would not reach the market value if value based on the Income Approach were used. The Respondent stated that assessing the subject using the \$215.00 land

value is most appropriate. The respondent also submitted a list of comparable land sales that supported that value.

The Respondent included an Assessment Request for Information dated April 20 2009 that reported the "Total Vacant Area" as 0 square feet..

Board's Decision:

The Board agreed that the assessment of the subject property was correct and the land value of \$215.00 is applicable.

The assessment is confirmed at \$1,570,000.

DATED AT THE CITY OF CALGARY THIS 19th DAY OF OCTOBER 2010.



R. Irwin
Presiding Officer

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.*