

**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:**

***221- 239 Tenth Avenue Property Inc., as represented by Altus Group Limited,  
COMPLAINANT***

**and**

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

**before:**

***S. Barry, PRESIDING OFFICER  
D. Julien, MEMBER  
J. Rankin, MEMBER***

This is a complaint to the Calgary Composite Assessment Review Board (CARB) in respect of a property assessment prepared by the Assessor of The City of Calgary and entered in the 2012 Assessment Roll as follows:

<b>ROLL NUMBER:</b>	<b>068245307</b>
<b>LOCATION ADDRESS:</b>	<b>239 10 Av SE</b>
<b>HEARING NUMBER:</b>	<b>68251</b>
<b>ASSESSMENT:</b>	<b>\$3,020,000</b>

This complaint was heard on the 15th day of August, 2012 at the office of the Assessment Review Board located at Floor Number 4, 1212 – 31 Avenue NE, Calgary, Alberta, Boardroom 3.

Appeared on behalf of the Complainant:

- *D. Genereux*

Appeared on behalf of the Respondent:

- *L. Wong*

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

[1] The Complainant requested that all evidence, argument, questions, rebuttal and summary related to the merits from hearing 66922 (CARB 1506/2012-P) be carried forward to this hearing. The respondent agreed and made the same request with respect to his material. Only new, site specific matters are raised in this written decision.

**Property Description:**

[2] The property under complaint is a 3 storey office building, with basement, known as the Demcor Building and located at 239 10 Av SE in zone 2 of the Beltline District (BL2). It was constructed in 1925 and has an assessable building area of 25,458 square feet (sq.ft.). It is assessed as a B class building using the Income Approach to Value with a typical capitalization rate (cap rate) of 7.75 per cent.

**Issues:**

1. **Is the Assessment of the subject inequitable given that competitive Class B properties are assessed at around 65% of actual value?**
2. **If the Assessment is inequitable, does the Complainant's application of a 12 per cent capitalization rate correct the inequity?**

[3] There was no complaint with respect to the valuation method, or with the value of any of the components or variables used in the income approach, with the exception of the cap rate.

**Complainant's Requested Value:**

[4] The Complainant requested that the assessment be reduced to \$1,950,000


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

[5] The Parties' positions and the Board's decisions and reasons with respect to both issues were carried forward from CARB 1506/2012-P, hearing 66922. The Complaint on both issues failed.

**Board's Decision:**

The 2012 Assessment is confirmed at \$3,020,000

DATED AT THE CITY OF CALGARY THIS 30 DAY OF August 2012.

  
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
3. C2	Complainant's Rebuttal

*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 MGB Administrative Use Only

Decision No.: 1509/2012-P		Roll No.: 068245307		
Subject	Property Type	Ppty Sub-type	Issue	Sub-Issue
CARB	Office	Low Rise	Income Appr	Cap Rate Equity