



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
1 SIR WINSTON CHURCHILL SQUARE
EDMONTON, ALBERTA T5J 2R7
(780) 496-5026 FAX (780) 496-8199

NOTICE OF DECISION 0098 108/10

CANADIAN VALUATION GROUP
1200 10665 JASPER AVENUE
EDMONTON AB T5J 3S9

THE CITY OF EDMONTON
ASSESSMENT AND TAXATION BRANCH
600 CHANCERY HALL
3 SIR WINSTON CHURCHILL SQUARE
EDMONTON, AB T5J 2C3

This is a decision of the Composite Assessment Review Board (CARB) from a hearing held on July 19, 2010 respecting a complaint for:

Roll Number 2219350	Municipal Address 14215 128 Avenue NW	Legal Description Plan 3674NY Block 1 Lot 8
Assessed Value \$2,565,500	Assessment Type Annual New	Assessment Notice for: 2010

Before:

Ted Sadlowski, Presiding Officer
George Zaharia, Board Member
Judy Shewchuk, Board Member

Board Officer:

J. Halicki

Persons Appearing: Complainant

Tom G. Janzen, Agent
Canadian Valuation Group

Persons Appearing: Respondent

Bob Thorgeirson, Supervisor
Industrial & Land Assessment
Assessment and Taxation Branch

PROCEDURAL MATTERS

Upon questioning by the Presiding Officer, the parties present indicated no objection to the composition of the Board. In addition, the Board members indicated no bias with respect to this file.

There were no preliminary issues raised by the parties and the Respondent did not have any recommendations on the file.

ISSUE(S)

Is the assessment of the subject property in excess of market value?

LEGISLATION

The *Municipal Government Act*, R.S.A. 2000, c. M-26;

S.467(1) An assessment review board may, with respect to any matter referred to in section 460(5), make a change to an assessment roll or tax roll or decide that no change is required.

S.467(3) An assessment review board must not alter any assessment that is fair and equitable, taking into consideration

- a) the valuation and other standards set out in the regulations,
- b) the procedures set out in the regulations, and
- c) the assessments of similar property or businesses in the same municipality.

DESCRIPTION

The subject property is an 18,720 square foot warehouse including 1,512 square feet of office space and was built in 1969 with 15% site coverage.

POSITION OF THE COMPLAINANT

1. The Complainant provided an analysis of eight sales comparables (C-1, P.1), asking the Board to place greatest weight on comparables #6 and #8 as those properties have similar site coverage to the subject property.
2. The time-adjusted sale prices of these two comparables were \$137.09 and \$95.37 per square foot with 2010 assessments of \$109.68 and \$98.21 per square foot respectively.
3. The Complainant requested that the Board reduce the assessment of the subject property to \$100 per square foot, resulting in a total assessment of \$1,872,000.

The Complainant asked the Board to place no weight on the comparable sales presented by the Respondent (R-1, p. 26) as four out of five sold in 2007 and one was built in 2005.

POSITION OF THE RESPONDENT

1. The Respondent provided an analysis of five sales comparables (R-1, P. 26) asking the Board to place greatest weight on #1, which was the sale of the subject property that occurred January 18, 2007 for a time adjusted sale price of \$146.97 per square foot.
2. The Respondent provided six equity comparables (R-1, P. 32), all in average condition as is the subject, and of similar building size, lot size, and site coverage to the subject property. The assessments ranged from \$108 to \$168 per square foot or a mean average of \$145 supporting the assessment of the subject property at \$137.05 per square foot.
3. The Respondent asked that the Board confirm the assessment of \$2,565,500.

DECISION

The decision of the Board is to confirm the 2010 assessment of \$2,565,500.

REASONS FOR THE DECISION

The Board noted that of the Complainant's comparables only #6 and #8 had similar site coverages respectively of 15% and 17%. The other six properties had site coverages ranging from 26% to 41%. As the Board recognized that site coverage is a very important factor, it placed little weight on the Complainant's comparables with the exception of #6 and #8.

The Board also considered the Respondent's equity comparables (R-1, P. 32). The six provided were of similar building size, lot size, and condition. As well they had similar site coverage to the subject property. The average assessment of all six comparables was \$145 per square foot and supports the assessment of \$137.05 per square foot. If comparables #2 and #3 were removed from the calculations because of their significantly newer age, the average would be \$141.50 per square foot which further supports the assessment.

The Board placed greatest weight on the Respondent's comparable #1 as it was the sale of the subject property with a time adjusted sale price of \$146.97 per square foot, supporting the assessment at \$137.05 per square foot. With the remaining four comparables the Board noted some inconsistencies, but the average time adjusted sale price supported the assessment. Although the condition of the remaining four sales comparables were the same as the subject, and were similar in lot and building size and site coverage, the Board noted that comparable #3 built in 2005 is much newer than the subject and that sale #5 is located in the Winterburn area, while the subject is located in northwest Edmonton. As well, there were major variations between the time adjusted sale price and assessment per square foot of comparables #3 and #4, although again the time adjusted sale prices supported the assessment of the subject.

The Board was persuaded by the Respondent's equity comparables (R-1, P. 32). All of these equity comparables were the same in condition as the subject, and were of similar building size, lot size, and site coverage. The average assessment of all six comparables was \$145 per square foot, supporting the assessment of the subject at \$137.05 per square foot.

The Board is persuaded that the 2010 assessment of the subject property at \$2,565,500 is fair and equitable.

DISSENTING DECISION AND REASONS

There was no dissenting decision.

Dated this twelfth day of August, 2010 A.D. at the City of Edmonton, in the Province of Alberta.

Presiding Officer

This decision may be appealed to the Court of Queen's Bench on a question of law or jurisdiction, pursuant to Section 470(1) of the *Municipal Government Act*, R.S.A. 2000, c.M-26.

CC: Municipal Government Board
City of Edmonton, Assessment & Taxation Branch
Linnell Taylor Assessment Strategies
Becker Portfolio Management Ltd.