



ASSESSMENT REVIEW BOARD

Churchill Building
10019 103 Avenue
Edmonton AB T5J 0G9
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NOTICE OF DECISION NO. 0098 113/11

1131534 Alberta Ltd
7315 - 67 Street NW
Edmonton, AB T6B 2J3

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 18, 2011, respecting a complaint for:

| Roll Number | Municipal Address | Legal Description | Assessed Value | Assessment Type | Assessment Notice for: |
|-------------|-------------------|----------------------------------|----------------|-----------------|------------------------|
| 10006570 | 7315 67 Street NW | Plan: 0321747 Block: 3 Lot: 9 | \$3,111,500 | Annual New | 2011 |

Before:

Ted Sadlowski, Presiding Officer
Francis Ng, Board Member
John Braim, Board Member

Board Officer:

Annet Adetunji

Persons Appearing on behalf of Complainant:

Ryan Robinson, 1131534 Alberta Ltd

Persons Appearing on behalf of Respondent:

Stephen Leroux, City of Edmonton, Assessor

PRELIMINARY MATTERS

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

BACKGROUND

The subject is a light industrial warehouse located in the neighborhood of Davies Industrial East in the southeast of the City of Edmonton. The size of the subject is 15,000 square feet of which 13,000 square feet is warehouse space and 2,000 square feet is office space. There is also 2,000 square feet of mezzanine space which is undeveloped and not assessed. The subject's effective year built is 2006 and it has site coverage of 21%. The subject is assessed at \$207.43 per square foot.

ISSUE

Is the subject assessed too high and 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.*

POSITION OF THE COMPLAINANT

The Complainant submitted Network documents for four sales of comparable properties. Three of the four sales comparables are located in the southeast region like the subject and one is located in the north region. The effective year built ranged from 1982 to 1999 and the site coverage ranged from 17% to 33%. The total building area ranged from 11,987 square feet to 38,308 square feet. The sale prices of the comparables ranged from \$139.73 to \$160.86 per square foot.

The Complainant also submitted a real estate appraisal report effective July 1, 2008. The comparables in the report are all in the southeast region like the subject. They range in size from 24,030 square feet to 41,991 square feet and their sale prices range from \$140.45 to \$198.85 per square foot.

POSITION OF THE RESPONDENT

The Respondent submitted an assessment brief (R – 1). In the brief the Respondent provided six sales comparables (R -1, p.19). Two of the comparables are in the west region and four are in the southeast. They are all in average condition and range in effective year built from 1993 to 2005. The site coverage for the comparables ranged from 11% to 20% and the building sizes ranged from 7,196 to 13,746 square feet. The time-adjusted sale prices ranged from \$216.29 to \$272.50 per square foot.

The Respondent also submitted eleven equity comparables (R-1, p.26). The equity comparables range in year built from 2001 to 2006 and all are in average condition. The site coverage ranges from 15% to 22% and the main floor building area range from 10,000 square feet to 21,609 square feet. They are all located in southeast Edmonton and the assessments range from \$196.01 to \$245.95 per square foot.

The Respondent concluded that the assessment of the subject property is well supported by the market sales and equity comparables that were provided.

DECISION

The decision of the Board is to confirm the 2011 assessment at \$3,111,500.

REASONS FOR THE DECISION

1. The Respondent submitted 11 equity comparables and they are all located in the southeast area as the subject (R1, p.26). The Board was persuaded by these comparables, because they exhibit similar characteristics like the subject in age, condition, building size and site coverage. The assessment of the subject at \$207.43 per square foot is within the range of the assessments per square foot of the equity comparables.
2. The Board placed weight on the Respondent's sales comparables, especially comparable #5 and #6. They exhibit similar site coverage, main floor area, condition, age and their time-adjusted sale prices per square foot range from \$216.29 to \$231.23, which indicate the assessment of the subject is not in excess of the market.
3. The four sales comparables provided by the Complainant are older than the subject and three of them have higher site coverage, which might be less desirable. Furthermore, one of the sales is substantially larger than the subject.
4. The Complainant submitted an appraisal report but all four comparables in the report were older and substantially larger than the subject. The appraiser was not present at the hearing to answer questions from the Board about the appraisal; therefore the Board placed less weight on the report. Also the effective date of the appraisal report is July 1, 2008, which is two years prior to evaluation date.
5. The Board was persuaded that 2011 assessment of the subject is fair and equitable.

DISSENTING OPINION AND REASONS

There were no dissenting opinions.

Dated this 16th day of August 2011, at the City of Edmonton, in the Province of Alberta.

Ted Sadlowski, 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.
