



ASSESSMENT REVIEW BOARD

Churchill Building
10019 103 Avenue
Edmonton AB T5J 0G9
Phone: (780) 496-5026

NOTICE OF DECISION NO. 0098 146/11

Tom Janzen, CVG
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 August 16, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
3344058	10250 113 Street NW	Plan: B3 Block: 13 Lots: 160-162	\$2,440,500	Annual New	2011

Before:

Larry Loven, Presiding Officer
Francis Ng, Board Member
John Braim, Board Member

Board Officer: Jason Morris

Persons Appearing on behalf of Complainant:

Tom Janzen, CVG

Persons Appearing on behalf of Respondent:

Mark Sandul, City of Edmonton
Tanya Smith, City of Edmonton

PRELIMINARY MATTERS

None raised at the outset of the hearing.

BACKGROUND

The subject property is a twenty-five suite, two and one-half story apartment building, built in 1969 and located in the Oliver neighbourhood.

ISSUE(S)

The matter indicated in Section 3 of the complaint form was “3. *an assessment amount*”. Reasons accompanying the complaint form are summarized as follows:

- a) the assessment amount exceeds the market value and is inequitable;
- b) the Potential Gross Income is greater than typical or market income;
- c) the vacancy rate is lower than actual;
- d) the Gross Income Multiplier is higher than that derived from sales of similar properties;
- e) the assessment to sales ratio of similar properties supports a lower assessment;
- f) the assessment amount is excessive; and
- g) the assessment should be reduced to \$2,125,000.

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

POSITION OF THE RESPONDENT

DECISION

Roll Number	Original Assessment	New Assessment
3344058	\$2,440,500	\$2,444,500

REASONS FOR THE DECISION

The Board finds that of the six sales comparable provided by the Complainant and the five sales comparable provided by the Respondent, both used five of the same sales comparables located at 10310 122 Street, 10340 117 Street, 10130 121 Street, 10227/35 119 Street and 11325 103 Street.

As the Gross Income Multipliers (GIMs) for the sales comparables as given by the Complainant were slightly lower than those given by the Respondent, the Board was unable to place greater weight on one or the other.

The vacancy rate of 3% for the subject party was accepted by both the Complainant and the Respondent.

The Board finds that the capitalization rate of 6.5%, with adjustments to the net operating income, used by the Complainant to support a market value lower than the assessment, is determined from the average of capitalization rates of third party information using the same sale comparables as for the GIM. The Board did not receive any evidence from the Respondent regarding capitalization rates.

The Board finds that the Respondent's four equity comparables support the assessment per suite of the subject property.

The Board accepts that the common sale comparables given by both the Complainant and the Respondent provide an accurate and reliable representation of value.

The Board finds the same sales comparables used by both the Complainant and the Respondent, have the same time adjusted sale price per suite of \$103,103 (given as \$105,100 by the Respondent, corrected), \$102,433 and \$94,444, \$110,000, and \$121,429. The average time adjusted sale price per suite of these five same sales comparables is \$106,281.80; whereas the average of the Complainant's sales comparables is \$101,901.50 and the Respondent's is \$106,281.80.

The Board notes that the Complainant's sales comparable located at 10190 115 Street may not have been an arms-length sale and was a condominium building.

In its consideration of the above reasons, the Board finds that the subject property to be fairly and equitably valued at \$106,281.80 per suite or \$2,657,045, and therefore confirms the assessment

DISSENTING OPINION AND REASONS

Dated this 6th day of September 2011, at the City of Edmonton, in the Province of Alberta.

Larry Loven, 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: FAY BROWN
RUTH LEONA PAKES