



ASSESSMENT REVIEW BOARD

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NOTICE OF DECISION NO. 0098 222/11

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 September 19, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
8954810	3103 - 92 Street NW	Plan: 7822975 Block: 6 Lot: 1	\$2,119,000	Annual New	2011

Before:

Hatem Naboulsi, Presiding Officer
Judy Shewchuk, Board Member
Ron Funnell, Board Member

Board Officer:

Annet Adetunji

Persons Appearing on behalf of Complainant:

Tom Janzen, Canadian Valuation Group

Persons Appearing on behalf of Respondent:

Suzanne Magdiak, Assessor, City of Edmonton

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.

BACKGROUND

The subject property is a multi-tenant office/warehouse building located in the Parsons Industrial neighborhood. The property was built in 1980 and is 16,028 square feet on a 51,776.1 square foot lot for a site coverage of 31%. The 2011 assessment is \$2,119,000 which equates to \$132.21 per square foot.

ISSUE

Is the 2011 assessment of the subject property at \$2,119,000 fair and equitable?

LEGISLATION

Municipal Government Act, RSA 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 presented five sales and assessment comparables ranging in time adjusted sale price from \$91.09 to \$110.24 per square foot and in assessment from \$101.12 to \$132.07 per square foot. The Complainant asked that the assessment of the subject be reduced to \$110.00 per square foot for a total of \$1,763,000.

Of their five comparables the Complainant emphasized #2, #3, and #5:

Comparable #2 at 7216 – 76 Avenue, a building of 15,000 square feet, built in 1976, with 55% site coverage, sold in May 2009 for a time adjusted sale price of \$91.09 per square foot and assessed at \$107.79 per square foot;

Comparable #3 at 7703/15 – 69 Street, a building of 15,800 square feet, built in 1975, with 36% site coverage, sold in July 2009 for a time adjusted sale price of \$106.84 per square foot and assessed at \$109.76 per square foot;

Comparable #5 at 5820 – 96 Street, a building of 10,000 square feet, built in 1979, with 45% site coverage, sold in August 2010 for a time adjusted sale price of \$100.00 per square foot and assessed at \$116.41 per square foot.

The Complainant criticized the Respondent's comparables as being dated – five out of seven were from 2007 and two were from 2008. The Complainant also criticized the Respondent's sales comparables #1, #5, and #6 as they are situated on main roadways whereas the subject is not.

The Complainant also presented rebuttal evidence which listed the assessments of the Respondent's seven sales comparables. As these ranged from \$84.31 to \$135.07 per square foot, the Complainant argued that this supports a reduction in assessment of the subject.

POSITION OF THE RESPONDENT

The Respondent presented seven sales comparables, all located in the southeast quadrant, ranging in time adjusted sale prices from \$129.26 to \$178.53 per square foot. The building sizes ranged from 12,009 to 19,376 square feet and the site coverages ranged from 33% to 42%.

In support of the assessment, eight equity comparables were also presented.

The Respondent criticized the Complainant's comparable #4 at 9719 – 63 Avenue as requiring major renovations after the sale and comparable #5 as being a non-arms-length sale and therefore invalid. The Complainant's comparables #4 and #5 were also criticized as being post facto.

DECISION

The decision of the Board is to reduce the 2011 assessment from \$2,119,000 to \$1,939,000.

REASONS FOR THE DECISION

The Board finds that the Complainant's sales comparables #2, #3, and #5 (exhibit C-1, p.1) did not provide sufficient evidence to justify a reduction to \$110.00 per square foot. However, the Board was persuaded by the Complainant's rebuttal evidence (exhibit C-2, p.1) which demonstrated that the average assessment of four of the Respondent's seven sales comparables (#2, #3, #4, and #7 which both the Complainant and Respondent agreed are not on major roadways) was \$121.00 per square foot. Accordingly, in the interest of fairness and equity, the Board reduces the assessment to \$121.00 per square foot for a total of \$1,939,000.

DISSENTING OPINION AND REASONS

There was no dissenting opinion.

Dated this 7th day of October, 2011, at the City of Edmonton, in the Province of Alberta.

Hatem Naboulsi, 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, RSA 2000, c M-26.

cc: Sabo's Investment Corporation