



ASSESSMENT REVIEW BOARD

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NOTICE OF DECISION NO. 0098 255/11

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 October 19, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
3805157	14939 112 Avenue NW	Plan: 7015ET Block: 17 Lot: 5 / Plan: 9220793 Block: 17 Lot: 6A	\$2,652,000	Annual New	2011

Before:

Patricia Mowbrey, Presiding Officer
Jack Jones, Board Member
Jasbeer Singh, Board Member

Board Officer: Jason Morris

Persons Appearing on behalf of Complainant:

Tom Janzen, CVG

Persons Appearing on behalf of Respondent:

Suzanne Magdiak, Assessor, City of Edmonton

PROCEDURAL MATTERS

The parties indicated that they had no objection to the constitution of the Board. The Board members indicated that they had no bias with regard to the matter.

BACKGROUND

The subject property is an industrial warehouse located at 14939 112 Avenue NW in the High Park Industrial neighbourhood of northwest Edmonton. It consists of two buildings totaling approximately 24,000 square feet on a lot of approximately 59,300 square feet. It was assessed for 2011 on the direct sales comparison method and has an assessment of \$2,652,000.

ISSUE(S)

Is the 2011 assessment of the subject property at \$2,652,000 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 evidence (C-1) and argument for the Board's review and consideration.

The Complainant presented nine time adjusted sales comparables (C-1, page 1) to support a requested reduction of the 2011 assessment from \$109.67 to \$90.00 per square foot. The Complainant indicated that the most weight should be placed on sales comparables #1, 4, 5, 6 & 7, as these properties had the most physical characteristics in common with the subject property.

The Complainant noted that the 2011 assessment (C-1, page 3) had increased by 24% over the previous year's assessment whereas the market time adjustments (C-1, page 6) for the same period indicate a reduction of approximately 4%.

The Complainant requested the 2011 assessment be reduced from \$2,652,000 to \$2,176,000 (C-1, page 2).

POSITION OF THE RESPONDENT

The Respondent presented evidence (R-1 & R-2) and argument for the Board's review and consideration.

The Respondent outlined the mass appraisal process and the factors found to influence value in the warehouse market (R-1, page 7).

The Respondent indicated that the method of assessment had changed for the 2011 assessment in that multiple building properties are assessed as individual buildings to form the aggregate and that this revised methodology resulted in the increase noted by the Complainant. The Respondent also noted that each year's assessment stands alone and that year by year percentage increases alone are not a justification for a reduction in assessment.

The Respondent presented six time adjusted sales comparables (R-1, page 18) to support the 2011 assessment of \$109.67 per square foot. The Respondent indicated that the most weight should be placed on sales comparables #1, 2, & 6 as these properties had the most physical characteristics in common with the subject property.

The Respondent also presented nine equity comparables (R-1, page 25) to support the 2011 assessment of the subject property.

The Respondent presented evidence (R-1, pages 26, 27 & 28) which questioned the validity of the Complainant's sales comparables # 1, 3 & 7.

The Respondent requested that the 2011 assessment be confirmed at \$2,652,000.

DECISION

The decision of the Board is to reduce the 2011 assessment of the subject property from \$2,652,000 to \$2,176,000.

Roll Number	Original Assessment	New Assessment
3805157	\$2,652,000	\$2,176,000

REASONS FOR THE DECISION

- 1) The Board reviewed and considered the evidence and argument provided by both parties.
- 2) The Board placed greater weight on the sales comparables provided by the Complainant.
- 3) The Board considered the Complainant's comparables (C-1, page 1) #4, 5 & 6 as the most comparable to the subject property with respect to location, size, and age, and were the more recent 2010 sales. These sales comparables supported the reduction to the 2011 assessment requested by the Complainant.
- 4) The Board also noted that the Complainant's sale comparable #7 (C-1, page 1), although slightly post facto, August 2010, was a strong indicator of value for the subject property considering it is also a two building property.
- 5) The Board placed less weight on the sales comparables (R-1, page 18) presented by the Respondent and considered sales comparables #1, 2 & 3 as dated 2007 sales. Sale #4 varied from the subject property with respect to size and site coverage, sale #5 varied

from the subject property with respect to size and condition and sale #6 varied from the subject with respect to age and special structural features.

- 6) The Board noted that equity was not raised as an issue by the Complainant and therefore did not consider the equity comparables (R-1, page 25) presented by the Respondent.
- 7) The Board finds that the reduced 2011 assessment of \$2,176,000 for the subject property is fair and equitable.

DISSENTING OPINION AND REASONS

There were no dissenting opinions.

Dated this 21st day of October, 2011, at the City of Edmonton, in the Province of Alberta.

Patricia Mowbrey, 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: 1116462 ALBERTA LTD