



## 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      NO. 0098 27/10**

CANADIAN VALUATION GROUP LTD.  
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 hearings held on July 5-6, 2010 respecting an appeal on the 2010 Annual New Realty Assessment.

<b>Roll Numbers</b> 9974451	<b>Municipal Address</b> 3404 78 Avenue NW	<b>Legal Description</b> Plan 9926188 Block 29 Lot 4
<b>Assessed Value</b> \$11,833,000	<b>Assessment Type</b> Annual - New	<b>Assessment Year</b> 2010

### **Before:**

Patricia Mowbrey, Presiding Officer  
Ron Funnell, Board Member  
Reg Pointe, Board Member

### **Persons Appearing: Complainant**

Peter Smith, Agent

### **Persons Appearing: Respondent**

Cherie Skolney, Assessor  
Cameron Ashmore, Solicitor

## **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 for the properties under appeal. An oath was administered to all parties providing evidence.

## **ISSUES**

Is the 2010 assessment fair and equitable?



## **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's position is that the subject property's 2010 assessment is excessive when compared to sales of similar properties. The subject property is a multi-tenant warehouse complex of 5 buildings containing a total of 143,975 square feet built in 1982 and 1999. The 2010 assessment equates to \$82.19 per square foot. As a visual aid, exhibit C2 (colour photographs of the subject property) was admitted into evidence.

The Complainant stated the important factors affecting the value of an industrial property are primarily condition, location, and site coverage. The subject property has typical site coverage of 35 percent, the condition is average, however, the Complainant stated the location is restricted being on 34 Street south of Sherwood Park Freeway (C1 p2).

Five sales comparables (exhibit C1, pg. 1) were provided by the Complainant indicating comparables #3 is the most similar in location influences, but is substantially newer and larger. Sales #1 and #5 have similar site coverages, whereas, sale #4 has a lower site coverage. The Complainant requested a value of \$75 per square foot or a requested reduction in the 2010 assessment to \$10,789,000.

The Complainant submitted three equity comparables (exhibit C1 p2) to support a reduced 2010 assessment.

## **POSITION OF THE RESPONDENT**

The Respondent indicated, for the purposes of the 2010 annual assessment, the sales comparison approach was employed since there was sufficient data to derive reliable value estimates.

Mass appraisal is used to derive typical values and sales occurring between January 2006 through June 2009 and in model development and testing (R1, pg. 7).

Exhibit R2 was submitted by the Respondent to reinforce the applicable legislative provisions relating to the 2010 assessment.

The Respondent submitted seven comparable sales (R1, pg. 17) stating sales #2 and #3 are the best sales comparables.

The Respondent submitted eleven equity comparables (R1, pg. 25) to support the assessment.

## **FINDINGS**

The subject property has a mezzanine space of 4,322 square feet which is included in the total building area of 148,297 square feet used by both the Complainant and the Respondent in calculating the assessed value per square foot.

## **DECISION**

The Decision of the Board is to confirm the 2010 assessment at \$11,833,000.

## **REASONS FOR THE DECISION**

1. The Board considered the Respondent's sales comparables (R1, pg. 17) and placed greater weight on comparable sales #3 as it is most similar to the subject in location, condition, and site coverage. The subject property's 2010 assessment of \$82.19 per square foot is at the low end of the comparables which are at \$88.45 and \$126.65 per square foot.
2. The Board reviewed the Complainant's sales comparables (C1, pg.1) and placed little weight on the comparables, noting the Complainant's best comparable #2 is part of a multiple (six) building sale, and sale #3 was 23% vacant at the time of sale. The Board noted that sales comparables #1, #2 #4, and #5 are located in the NW industrial area.
3. The Respondent's equity comparables (R1, pg. 25) are located in the SE industrial area. The Board placed greatest weight on equity comparables #3, #8 and #9, as they are most similar to the subject property in effective year built, total building area, site coverage, lot size, condition, and total building area. The assessment of the subject property of \$82.19 per square foot falls within the range of these equity comparables of \$ 77.49 to \$82.58 per sq ft.
4. The Board noted the Complainant provided no supportive evidence for a reduced assessment based on a location restriction.
5. The Board finds the 2010 assessment of \$11,833,000 is fair and equitable.

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

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Presiding Officer

CC: MUNICIPAL GOVERNMENT BOARD  
City of Edmonton, Law Branch  
City of Edmonton, Assessment & Taxation Branch  
London Life Insurance Co.

