



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
1 SIR WINSTON CHURCHILL SQUARE
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NOTICE OF DECISION NO. 0098 28/10

CANADIAN VALUATION GROUP
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 Assessment Review Board (CARB) from a hearing held on July 5-6, 2010 respecting an appeal on the 2010 Annual New Realty Assessment.

Roll Numbers 9511858	Municipal Address 7210 82 Ave NW	Legal Description Plan 7884AH Block 27 Lots 10 et al.
Assessed Value \$632,000	Assessment Type Annual - New	Assessment Year 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.

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 single-tenant warehouse building containing a total of 2,751 square feet located on a one-way road in east-central Edmonton and built in 1973 with an effective age of 1978. The 2010 assessment equates to \$229.74 per square foot.

The Complainant provided, as a visual aid, colour photos (C2) of the subject property and assessment values for the Respondent's comparable sales (C3).

The Complainant stated the important factors affecting the value of an industrial property are primarily age, location, and site coverage, although, in this case, the subject site coverage is 18 percent.

The Complainant indicated this is a re-sale auto dealership located on a one-way street on a one-way portion of Whyte Avenue.

Six sales comparables (exhibit C1, pg. 1) were provided by the Complainant indicating sale #6 is most comparable in age, site coverage, and zoning, and is a July 2009 sale.

The requested value is \$175 per square foot or a reduction in the 2010 assessment to \$481,000.

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 eight sales (R1, pg. 21) comparables to support the assessed value of the subject property.

The Respondent stated that there is a mezzanine in the subject property of 196 square feet and an assessed value had been assigned to that space in the amount of \$20,000, but had not been included in the 2010 assessment.

FINDINGS

1. The subject property is located on a one-way street on a portion of 82 Avenue.
2. The subject property has mezzanine space of 196 square feet which has added value.
3. The total building area of 2,751 square feet was used by both the Complainant and the Respondent in calculating the assessed value per square foot.

DECISION

The decision of the Board is to revise the 2010 assessment from \$632,000 to \$501,000.

REASONS FOR THE DECISION

1. The Board considered the Respondent's sales comparables (R1, pg. 21) and placed little weight on the sales comparables as they were not similar to the subject property in terms of site and building size.
2. The Board reviewed the Complainant's sales comparables (C1, pg.1) and placed greater weight on sales comparables #4 and #6 with respective sales prices per square foot of \$163.73 and \$185.59 and assessment values per square foot of \$176.83 and \$163.12.
3. The Board noted comparable sale #6 is the same IB zoning as the subject property and is the most similar.
4. The Board finds the requested assessment of \$175 per square foot or \$481,000 to be fair and equitable noting, the additional \$20,000 is to be added for the mezzanine space for a total reduced 2010 assessment from \$632,000 to \$501,000.

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

Presiding Officer

CC: Municipal Government Board
City of Edmonton, Law Branch
City of Edmonton, Assessment & Taxation Branch
Hingston Investments Inc.

