



## **ASSESSMENT REVIEW BOARD**

MAIN FLOOR CITY HALL  
1 SIR WINSTON CHURCHILL SQUARE  
EDMONTON AB T5J 2R7  
(780) 496-5026 FAX (780) 496-8199

### **NOTICE OF DECISION NO. 0098 328/10**

Altus Group Ltd  
17327 - 106A Avenue  
Edmonton AB T5S 1M7

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 between August 23 and October 21, 2010 respecting a complaint for:

<b>Roll Number</b> 8623100	<b>Municipal Address</b> 9921 67 Avenue NW	<b>Legal Description</b> Plan: 3888HW Block: 34 Lot: 8
<b>Assessed Value</b> \$1,187,000	<b>Assessment Type</b> Annual – New	<b>Assessment Notice for:</b> 2010

#### **Before:**

Tom Robert, Presiding Officer  
Dale Doan, Board Member  
Mary Sheldon, Board Member

#### **Board Officer:**

Segun Kaffo

#### **Persons Appearing: Complainant**

Walid Melhem

#### **Persons Appearing: Respondent**

Mary-Alice Lesyk, Assessor  
Stephen Leroux, Assessor  
Veronika Ferenc, Law Branch

### **PROCEDURAL MATTERS**

Upon questioning by the Presiding Officer, the parties indicated no objection to the composition of the Board. In addition, the Board members indicated no bias with respect to the file.

All parties giving evidence during the proceedings were sworn by the Board Officer.

## **PRELIMINARY MATTERS**

The parties agreed that all evidence, submissions and argument on Roll # 8480097 would be carried forward to this file to the extent that matters were relevant to this file. In particular, the Complainant chose not to pursue arguments with respect to the evidence he had provided regarding the income approach to value.

The Complainant and the Respondent presented to the Board differing time adjustment figures for industrial warehouses based on the Complainant's submission that some data used in the preparation of the Respondent's time adjustment model was faulty. The Board reviewed the data from the Complainant used in the preparation of his time adjustment figures and was of the opinion that the data used was somewhat questionable (Exhibit C-2). In any event, the differences between the time adjustment charts used by the parties for industrial warehouses were small and in many cases of little significance. Therefore, the Board has accepted the time adjustment figures used by the Respondent.

## **BACKGROUND**

The subject property is a medium warehouse built in 1954 and located in the CPR Irvine subdivision of Edmonton. The property has a building area of 7,628 square feet with site coverage of 17%.

## **ISSUES**

The Complainant had attached a schedule listing numerous issues to the complaint form. However, most of those issues had been abandoned and the issue left to be decided was as follows:

- Based on comparable sales, is the subject property's assessment reflective of market value?

## **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**

In support of his position that the assessment of the subject was not correct, the Complainant provided to the Board a chart of three sales comparables (C-3hh page 10). All were similar to the subject in that they were located on interior lots. All were very close in location to the subject. The average time adjusted sale price per sq. ft. was \$125.49 whereas the assessment of the subject was \$155.61 per sq. ft.

The Complainant requested that the average sale price of \$125.49 per sq. ft. should be applied to the subject, which would result in a value of \$957,000, and he requested that the Board reduce the assessment to this amount.

## **POSITION OF THE RESPONDENT**

The Respondent submitted to the Board that the assessment of the subject was fair and equitable, and in support of this position presented a chart of sales of comparable properties (R-3hh, page 20). These four sales did not contain finished upper floor space which made them comparable to the subject. The range of time adjusted price per sq. ft. of these comparables was from \$164.49 to \$180.25 whereas the subject was assessed at \$155.61 per sq. ft. which, he submitted, fully supported the assessment.

The Respondent also pointed out to the Board that the Complainant's sales comparable # 1 was assessed as being in fair condition which would tend to lower its value. As well, the Respondent pointed out that both the Complainant's sales comparables # 1 and # 3 possessed significant finished upper floor space (R-3hh, page 20).

In further support of his position that the assessment of the subject was correct, the Respondent provided a chart of the assessments of comparable properties to the subject (R-3hh, page 25). These four comparables showed a range of values from \$164 to \$187 per sq. ft. which, he stated, supported the assessment of the subject at \$156 per sq. ft.

The Respondent asked the Board to confirm the assessment of the subject at \$1,187,000.

## **DECISION**

The decision of the Board is to confirm the assessment of the subject at \$1,187,000.

## **REASONS FOR THE DECISION**

The Board agrees with the Respondent's submission that sales comparables # 1 and # 3 provided by the Complainant possess significant differences from the subject, in that both of these sales have significant finished upper floor space, whereas the subject has no second floor finished space. In the Board's opinion, this makes comparison with the subject unreliable. The Complainant has therefore only provided one reliable sales comparison, comparable # 2, which is almost twice the size of the subject, and is newer.

The Board considers that the Complainant has not provided sufficient reliable evidence to the Board to prove that the assessment of the subject is not correct. In contrast, the Board places more weight on the sales and equity comparables provided by the Respondent. The range of values for these comparables supports the assessment.

The Board concludes that the assessment of the subject should be confirmed at \$1,187,000.

### **DISSENTING OPINION AND REASONS**

There was no dissenting opinion.

Dated this 25<sup>th</sup> day of October 2010, at the City of Edmonton, in the Province of Alberta.

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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.*

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CC: Municipal Government Board  
Wheaton Investments Ltd.