



ASSESSMENT REVIEW BOARD

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NOTICE OF DECISION NO. 0098 330/11

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 November 14, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
10081083	1107 WINDERMERE WAY SW	Plan: 0628081 Block: 1 Lot: 1	\$17,366,000	Annual New	2011

Before:

Larry Loven, Presiding Officer
Jack Jones, Board Member
Taras Luciw, Board Member

Board Officer: Karin Lauderdale

Persons Appearing on behalf of Complainant:

Tom Janzen, CVG

Persons Appearing on behalf of Respondent:

Jerry Sumka, Assessor, City of Edmonton

PRELIMINARY 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 an undeveloped parcel located in south Edmonton. The site contains 20.047 acres (873,313 square feet) and the 2011 assessment equates to \$19.89 per square foot.

ISSUE(S)

Is the 2011 assessment of the subject property at \$17,366,000 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 submitted written evidence in the form of an appeal brief containing 16 pages that was entered as exhibit C-1.

The Complainant noted that the 2011 assessment of the subject property increased by 50% while the city's commercial land time adjustment chart (C-1, page 16) shows a decrease of approximately 11.5% from July, 2009 to July, 2010. By applying the appropriate time adjustment factor of 0.8854 to the 2010 assessment, a value of \$11.77 per square foot (psf) is concluded as compared to the 2011 assessment of \$19.89 psf.

A reduced valuation was further supported by six sales comparables (C-1, page 1) whose time adjusted sale price ranged from \$7.15 psf to \$20.34 psf. The comparables are all smaller than the subject ranging in size from 57,064 square feet to 262,231 square feet while the subject is 873,313 square feet. Because of the differences in size and location, the Complainant applied net adjustments from -10% to +20% to the comparables to achieve an adjusted time adjusted sale price (C-1, page 2). The Complainant placed most weight on sale comparables #1, #5 and #6 whose adjusted time adjusted sales prices are \$12.83, \$13.83 and \$12.75 psf. From this, the Complainant concluded a value of \$13.00 psf, when applied to the subject equates to \$11,353,069.

The Complainant also provided rebuttal evidence entered as exhibit C-2 and containing five pages, wherein three of the Respondent's four sales comparables were shown to be far smaller which would command higher prices on a per unit basis.

The Complainant requested a reduction of the 2011 assessment to \$11,353,000.

POSITION OF THE RESPONDENT

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

The Respondent referenced the mass appraisal methodology (R-1, page 4) for valuing individual properties.

The Respondent presented four sales comparables (R-1, page 15) to support the 2011 assessment of the subject property at \$19.89 per square foot. The sales comparables presented shared the attributes of size and proximity to major thoroughfares with the subject property. Sales comparable #4 at \$18.51 per square foot was a February, 2007 sale of a large site that included the subject property. The mean time adjusted sales price of the four sales comparables presented was \$21.33 per square foot.

The Respondent also presented the supporting documentation (R-1, pages 16 to 25) for the sales comparables presented.

The Respondent requested the 2011 assessment of the subject property be confirmed at \$19.89 per square foot for a total assessment of \$17,366,000.

DECISION

Roll Number	Original Assessment	New Assessment
10081083	\$17,366,000	\$17,366,000

REASONS FOR THE DECISION

The Respondent accepted the City of Edmonton 2011 Commercial Land Time Adjustments table as presented by the Complainant and did not disagree that the chart gives a decrease from July 2009 to July 2010 of approximately 11.5%, but confirmed that the chart is not used to determine value for assessment purposes. The Board finds that the chart supports that a decrease in market value of the subject property as argued by the Complainant.

Of the six sales comparables provided by the Complainant four range in size from 171,191 to 262,231 square feet, versus 873,313 square feet for the subject property. Two of the larger sales comparables have time adjusted sales prices of \$16.27 and \$15.00 per square foot with an assessed value per square foot of \$17.46 and \$17.91 respectively. The remaining two sales comparables are less than 100,000 square feet. The Board finds that the Complainant did not

provide support for his further adjustments to the values of his sales comparables with respect to size and location.

The Board finds three of the four sales comparables provided by the Respondent range in size from 216,709 square feet to 289,568 square feet versus 873,313 for the subject property, range in time adjusted sale price from \$20.18 to \$23.38 per square foot versus the assessed value of \$19.89 for the subject property support the assessed value of the subject property.

The Board finds that sale of the subject property of 1,134,785 square feet, provided as a sales comparable by the Respondent, at a time adjusted sale price of \$18.51 per square foot is a strong indication of value.

In its consideration of the above reasons regarding the assessed value of the Complainant's larger sales comparables, the time adjusted sales price per square foot of the Respondent's sales comparables and the time adjusted sales price per square foot of the subject property; the Board therefore confirms the assessment at \$19.89 per square foot or \$17,366,000.

DISSENTING OPINION AND REASONS

There were no dissenting opinions.

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

Larry Loven, 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: WINDERMERE II COMMERCIAL LANDS LTD