



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 331/10

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:

Roll Number 1523067	Municipal Address 11603 165 Street NW	Legal Description Plan: 7620459 Block: 5 Lot: 2
Assessed Value \$4,622,000	Assessment Type Annual – New	Assessment Notice for: 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

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 1979 and located in the Norwester Industrial subdivision of the City of Edmonton. The property has a building area of 53,853 sq. ft. with a site coverage of 41%.

ISSUES

The Complaint had attached a schedule listing numerous issues to the complaint form. However, most of those issues were abandoned and only the following issues remained for the Board to decide:

- What is the market value of the subject property?
- Is the assessment of the subject fair and equitable when compared to the assessments of comparable properties?

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 presented three sales comparables of which two were relied upon. Sales comparables # 2 and # 3 had time adjusted sales prices per sq. ft. of \$69.13 and \$77.90 respectively (C-3p, page 12).

The Complainant also submitted four equity comparables assessed within a range of \$71.69 to \$77.18 per sq. ft. and indicating an average assessment value of \$73.91 per sq. ft (C-3p, page 14).

The Complainant argued that the indicated value of the subject is \$71.64 per sq. ft. based on direct sales comparison and requested a reduction of the assessment to \$3,858,000.

POSITION OF THE RESPONDENT

The Respondent submitted ten sales comparables with time adjusted sales prices ranging from \$74.48 to \$151.21 per sq. ft. (R-3p, page 19). Comparable sale # 10 sold in June 2009 for a time adjusted sale price of \$74.48 per sq. ft. This property required a sprinkler system which will bring the value closer to that of the subject property.

The Respondent further submitted eight equity comparables ranging in value from \$79.90 to \$89.85 per sq. ft. and indicating an average assessment value of \$83.82 per sq. ft.

The Respondent argued that the assessment is within the range of both sales and equity comparables and requested confirmation of the assessment.

DECISION

The decision of the Board is to confirm the assessment of the subject property at \$4,622,000.

REASONS FOR THE DECISION

The Board is of the opinion that the Respondent's direct sales support the current assessment of \$85.83 per sq. ft. The range of sales comparables (\$79.90 to \$89.85 per sq. ft.) indicate that the subject property is assessed within this range.

This is reinforced by the equity comparables located in the same area as the subject and ranging in value from \$79.90 to \$89.85 per sq. ft.

DISSENTING OPINION AND REASONS

There was no dissenting opinion.

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

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.

CC: Municipal Government Board
Moncue (3) Inc.
Cue Real Property (3) Ltd.