



ASSESSMENT REVIEW BOARD

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NOTICE OF DECISION NO. 0098 348/10

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 Composite Assessment Review Board (CARB) from a hearing held on November 8, 2010 respecting a complaint for:

Roll Number 3919834	Municipal Address 2 11503 100 Avenue NW	Legal Description Plan: 8022431 Unit: 3
Assessed Value \$877,000	Assessment Type Annual - Revised	Assessment Notice for 2010

Before:

Rob Reimer, Presiding Officer
George Zaharia, Board Member
Judy Shewchuk, Board Member

Board Officer: Annet N. Adetunji

Persons Appearing: Complainant

Tom Janzen, CVG

Persons Appearing: Respondent

Allison Cossey, Assessment & Taxation Branch

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 a 2,314 square feet office condominium situated on the main floor of a high-rise apartment building constructed in 1980. It is owner occupied and located in a very desirable area overlooking the river valley.

ISSUE

Is the 2010 assessment of the subject property supported by sales 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 extracted information on six properties from a list of title transfers (C-1, p. 11-16) obtained from a City of Edmonton website. These were summarized on p.1 of C-1 and indicated time adjusted sale prices ranging from \$143.85 to \$340.96 per square foot. The 2010 assessments on these six properties ranged from \$118.98 to \$382.23 per square foot.

The Complainant submitted five sales comparables summarized on p.2 of C-1. These indicated a selling price ranging from \$130.75 to \$289.96 per square foot. The 2010 assessments of these five properties ranged from \$119.00 to \$377.19 per square foot.

The Complainant asked the Board to consider the income approach as an alternative means of assessment. Using a rental rate of \$20.00 per square foot, the Complainant calculated an assessment value of \$518,338.

The Complainant requested that the assessment be reduced to \$510,000 or \$220 per square foot.

POSITION OF THE RESPONDENT

The Respondent presented five sales comparables of retail space (R-1, p.52), four located in the general downtown area and one on Whyte Avenue. The adjusted sale prices ranged between \$303 and \$436 per square foot. The 2010 assessments ranged between \$321 and \$397 per square foot. Adjusting downward for the fact that the subject property is office space and that the comparables are retail spaces, the Respondent recommended an assessment of \$763,500 or \$330 per square foot.

The Respondent asked the Board to place no weight on the Complainant's income approach as it is inappropriate and irrelevant in this case.

DECISION

The Board accepts the Respondent's recommendation of \$763,500.

REASONS FOR THE DECISION

The Board is of the opinion that the Complainant's comparables were in less desirable locations than the subject property.

The Respondent's comparables were retail spaces. The Respondent applied an adjustment to the subject property because of it being office space and the Board accepts this adjustment.

The Board does not accept the income approach since the subject property is owner occupied.

The Board is persuaded that the recommended reduced assessment of \$763,500 is fair and equitable.

DISSENTING OPINION AND REASONS

There were no dissenting opinions.

Dated this 8th day of November, 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
LM Ares Professional Corporation