



ASSESSMENT REVIEW BOARD

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NOTICE OF DECISION 0098 382/11

ALTUS GROUP
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 on November 22, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
1618552	16304 118 AVENUE NW	Plan: 4321RS Block: 2 Lot: 3	\$1,898,000	Annual New	2011

Before:

Dean Sanduga, Presiding Officer
Petra Hagemann, Board Member
Tom Eapen, Board Member

Board Officer: Karin Lauderdale

Persons Appearing on behalf of Complainant:

Jordan Thachuk, Altus Group

Persons Appearing on behalf of Respondent:

Darren Nagy, 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 located at 16304-118 Ave in the Carleton Square Industrial subdivision of the City of Edmonton. It is fenced and used as storage. The property has an improvement of 10,764 square feet and is on a site area of 108,500 square feet.

ISSUE(S)

Is the 2011 assessment of the subject property at \$1,898,000 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 a 43 page brief (C-1) to challenge the correctness of the 2011 assessment. Eleven sales comparables were provided (C-1, pg 11) similar to the subject in zoning (IB + IM), all located in the northwest quadrant of the City and the majority of the comparables were similar in size. The average time adjusted sales price of these sales was \$13.95 per square foot compared to the assessment of the subject at \$17.35 per square foot.

Applying \$14.00 per square foot to the land size of the subject (108,500 sq ft) and adding the value of the improvement (\$15,768) the Complainant arrives at a value of \$1,534,500. The Complainant requested the Board to reduce the 2011 assessment to \$1,534,500.

POSITION OF THE RESPONDENT

The Respondent provided the Board with a 68 page 2011 assessment brief (R-1) outlining the principles of mass appraisal, law and legislation and submitted 4 comparable sales to support the assessment of the subject property.

These sales comparables (C-1, pg 20) are similar to the subject in location, size, zoning and range in time adjusted sales price from \$16.50 per square foot to \$19.89 per square foot. The average of \$18.36 per square foot suggests the subject is assessed correctly.

DECISION

The decision of the Board is to reduce the 2011 assessment from \$1,898,000 to \$1,570,500.

REASONS FOR THE DECISION

The Board examined the sales comparables provided by both the Complainant and Respondent.

Of the 11 sales used to convince the Board that the assessment of the subject is excessive, the Complainant indicated that sales #4 and #5 were most similar to the subject. The Board placed less weight on #4 as it is an interior lot, whereas the subject is located on a corner. This sale was dated as it was secured via a purchase agreement dated Jan 2006 and concluded in 2010..

The Board did not consider sale #2 provided by the Respondent as it had been established as an outlier. Sale #4 was dissimilar to the subject due to its smaller size. Smaller properties usually command a higher price per square foot than a larger parcel.

The Board was persuaded by the Complainant's sales #1, 2,3,6,7, and 8 as these properties were deemed to be most similar to the subject property. The average time adjusted sales price of these 6 comparables properties, is \$14.33 per square foot. Applying this to the size of the subject and adding the value of the improvement results in a value of \$1,570,500. The Board is of the opinion that an assessment of \$1,570,500 is fair and equitable.

DISSENTING OPINION AND REASONS

None

Dated this 1st day of December, 2011, at the City of Edmonton, in the Province of Alberta.

Dean Sanduga, 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: GREGG PROPERTIES CO. LTD.