



## **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 387/10**

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> 4026092	<b>Municipal Address</b> 8605 Coronet Road NW	<b>Legal Description</b> Plan: 8821333 Block: 4 Lot: 4A
<b>Assessed Value</b> \$1,678,500	<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  
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 1967 and located in the Coronet Addition Industrial subdivision of the City of Edmonton. The property has a building area of 9,122 square feet with site coverage of 15%.

## **ISSUES**

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

- When compared to comparable property assessments, is the subject property's assessment equitable?
- Based on comparable sales, is the assessment deemed to be 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 sales of comparable properties did not support the assessment of the subject, the Complainant provided a chart of four sales comparables (C-3ii, page 12). All comparables were 1967 year built and comparable # 2 was located next door to the subject. The average time adjusted price per sq. ft. of these comparables was \$137.31 while the subject was assessed at \$184.03 per sq. ft.

In support of his argument that the assessments of comparable properties showed that the assessment of the subject was not correct, the Complainant provided a chart of five equity comparables (C-3ii page 14). All were properties similar to the subject in location, size range, site coverage and age and averaged \$148.13 per sq ft., compared to the assessment per sq. ft. of the subject at \$184.03.

The Complainant requested the Board apply the price per sq. ft. of \$137.31 to the subject which would result in a value of \$1,252,000. He requested that the Board reduce the assessment of the subject to this amount.

## **POSITION OF THE RESPONDENT**

The Respondent submitted to the Board that based on market sales and equity, the assessment of the subject was correct.

He submitted a chart of three sales of comparable properties (R-3ii page 20). He noted for the Board that his sales comparable # 3 was inferior in age to the subject but still had a time adjusted sale price per sq. ft. of \$174.73 which, he indicated, supported the assessment.

The Respondent noted for the Board that his sales comparable # 1 was the same comparable as the Complainant's sales comparable #4. He submitted that when the Respondent's time adjustment factor is applied, the resulting value supported the assessment of the subject.

With respect to the issue of equity, the Respondent provided a chart of six equity comparables (R-3ii, page 24). None of these comparables had finished upper floor space, similar to the subject. He indicated that at least #3 had a major road attribute, similar to the subject. The range of values per sq. ft. was from \$165 to \$196 and he stated that this supported the value per sq. ft. of the subject at \$184.

The Respondent provided further evidence to the Board that one building on the Complainant's equity comparable #2 and one building on equity comparable #4 were valued on the cost approach while the Complainant's equity comparable #3 was rated as being in fair condition. In his opinion, this would make these comparables unreliable.

The Respondent asked the Board to confirm the 2010 assessment of the subject at \$1,678,500.

## **DECISION**

The decision of the Board is to confirm the assessment of the subject at \$1,678,500.

## **REASONS FOR THE DECISION**

With respect to the issue of the correctness of the assessment based on market sales, the Board is not persuaded by the sales comparables presented by the Complainant. When the proper time adjustment figure is applied to the Complainant's comparable #4, a value is reached which supports the assessment of the subject. The comparable # 2, while located very close to the subject has higher site coverage and is approximately half the size of the subject. These factors would make a comparison of less value.

With respect to the issue of equity, the Board is also not persuaded by the equity comparables presented by the Complainant. Many of those comparables contain significant finished upper level space which makes comparison with the subject, which has no finished upper level space, less reliable.

The Board considers that the Complainant has not discharged his responsibility of showing the assessment of the subject to be incorrect. Accordingly, the Board concludes that the 2010 assessment of the subject at \$1,678,500 should be confirmed.

## **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  
IXL Properties Limited