



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 398/10

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 8635377	Municipal Address 5709 99 Street NW	Legal Description Plan: 3367RS Block: A Lot: 7A
Assessed Value \$2,722,000	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 1970 and located in the Coronet Industrial subdivision of the City of Edmonton. The property has a building area of 22,749 square feet with site coverage of 43%.

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 typical market value of the subject property?
- Is the assessment of the subject property fair and equitable in comparison with similar 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 submitted five sales comparables with time adjusted sales prices ranging from \$86.61 to \$101 per sq. ft. The average price of these comparables was \$94.83 per sq. ft. (C-3m, page 12).

The Complainant also presented five equity comparables ranging in value from \$97.78 to \$106.73 per sq. ft. and indicating an average assessment of \$101.87 per sq. ft. (C-3m, page 14).

The Complainant argued that the indicated value of the subject is \$94.82 per sq. ft. based on direct sales comparison and requested a reduction of the assessment to \$2,157,000.

POSITION OF THE RESPONDENT

The Respondent submitted ten sales comparables with time adjusted sales prices ranging from \$114.29 to \$170.77 per sq. ft. (R-3m, page 16).

The Respondent further submitted nine equity comparables ranging in value from \$117.54 to \$128.22 per sq. ft. and indicating an average assessment value of \$122.64 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 \$2,722,000.

REASONS FOR THE DECISION

The Board is of the opinion that the sales comparables presented by the Respondent were more comparable to the subject in terms of size and location.

Comparable sale # 8 indicates a value of \$145.69 per sq. ft. and sale # 10 indicates a value of \$114.29 per sq. ft. The assessment of the subject appears to fall well within the range of the sales comparables presented.

The Board is also of the opinion that the equity comparables presented by the Respondent ranging in value from \$117.54 to \$128 per sq. ft. support the assessment.

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
Leah Superstein