



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
1 SIR WINSTON CHURCHILL SQUARE
EDMONTON AB T5J 2R7
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NOTICE OF DECISION NO. 0098 402/10

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 8879389	Municipal Address 5630 88 Street NW	Legal Description Plan: 7821657 Block: 3 Lot: 5
Assessed Value \$1,939,500	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

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 1979 and located in the Davies Industrial West subdivision of Edmonton. The property has a building area of 14,849 square feet with site coverage of 34%.

ISSUES

The Complainant 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 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 but agreed to exclude comparable # 1 because it was purchased by the tenant. The time adjusted sales prices of the remaining four comparables ranged from \$92.90 to \$113.58 per sq. ft. (C-3s, page 12).

The Complainant also presented five equity comparables ranging in value from \$109.67 to \$117.17 indicating an average assessment of \$114.67 per sq. ft. (C-3s, page 14).

The Complainant argued that there are nine sales comparables in total presented by both parties, all within the South East area, with the most recent sale in May 2009 at \$113.58 per sq. ft. The Complainant submitted that this sale with similar site coverage, size and age as the subject is the best comparable.

POSITION OF THE RESPONDENT

The Respondent submitted four sales comparables with time adjusted sales prices ranging from \$141.74 to \$159.16 per sq. ft. (R-3s, page 20).

The Respondent further submitted five equity comparables ranging in value from \$129 to \$140 per sq. ft. (R-3s, page 25).

The Respondent argued that the assessment is at the bottom of the indicated range of the sales comparables and within the range of equity comparables. The Respondent requested confirmation of the assessment at \$1,939,500.

DECISION

The decision of the Board is to reduce the 2010 assessment of the subject property from \$130.61 to \$117 per sq. ft. resulting in a total value of \$1,737,000

REASONS FOR THE DECISION

The Board is of the opinion that the subject property is best compared to the direct sales comparables submitted by the Complainant, particularly the most recent sale of May 2009, at the city's time adjusted value of approximately \$116 per sq. ft.

In analyzing the equity comparables presented by the Complainant, the Board is of the opinion that the best comparable is comparable # 5 with a value of \$117.17. The Board accordingly sets the value of the subject at \$ 117 per sq. ft. which, when applied to the subject produces a revised assessment of \$1,737,000

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
Wayne Construction Ltd.
Wayne Homes (1982) Ltd.