



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 404/10

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 8887085	Municipal Address 7656 Wagner Road NW	Legal Description Plan: 7823043 Block: 13 Lot: 18
Assessed Value \$3,132,000	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

Chris Buchanan

Persons Appearing: Respondent

Suzanne Magdiak, Assessor
Cherie Skolney, Assessor
Tanya Smith, 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 single storey medium warehouse built in 1980 and located in the Davies Industrial subdivision of the City of Edmonton. The property has a building area of 31,874 square feet with 36% site coverage.

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 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 presented three direct sales comparables with time adjusted values ranging from \$65.61 to \$78.43 per sq. ft. These comparables had a main floor average value of \$77.06 (C-3tt, page 10).

The Complainant further submitted three equity comparables ranging in value from \$73.28 to \$90.16 per sq. ft. with an average of \$81.26 per sq. ft. (C-3tt, page 12).

The Complainant argued that based on the sales presented the assessment was incorrect, and based on the equity comparables was not fair and equitable. He requested a reduction to \$69.77 which would result in an assessment value of \$2,224,000.

POSITION OF THE RESPONDENT

The Respondent presented seven direct sales comparables with time adjusted values ranging from \$86.99 to \$126.90 per sq. ft. (R-3tt, page 21)

The Respondent also provided eleven equity comparables with values ranging from \$88.05 to \$109.97. The Respondent argued that the assessment of the subject at \$91.78 is supported by the ranges indicated by both the sales and equity comparables, and requested confirmation of the assessment.

DECISION

The decision of the Board is to reduce the assessment of the subject property to \$2,709,000.

REASONS FOR THE DECISION

The Board is satisfied that the direct sales and equity comparables presented by the Complainant indicate that the current assessment requires a downward adjustment. Equity comparable # 3 is the best comparable in terms of site area, building area, site coverage, location and year built. This is further supported by sale # 3 with the same comparable attributes.

The Board is of the opinion that the best indicator of value is the Complainant's sale # 3, which indicates a value of approximately \$85 per sq. ft. using the City's time adjustment, and applying a 10% adjustment for the perpendicular configuration.

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
Paragon Investments Ltd.