



## ASSESSMENT REVIEW BOARD

Churchill Building  
10019 103 Avenue  
Edmonton AB T5J 0G9  
Phone: (780) 496-5026

### NOTICE OF DECISION NO. 0098 404/11

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 14, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
1514603	15721 118 Avenue NW	Plan: 6097AH Block: 5	\$4,527,500	Annual New	2011

#### Before:

Robert Mowbrey, Presiding Officer  
Dale Doan, Board Member  
Lillian Lundgren, Board Member

#### Board Officer:

Annet Adetunji

#### Persons Appearing on behalf of Complainant:

Chris Buchanan, Altus Group Ltd

#### Persons Appearing on behalf of Respondent:

Stephen Leroux, Assessor, City of Edmonton  
Suzanne Magdiak, Assessor, City of Edmonton

## **PRELIMINARY MATTERS**

Upon questioning by the Presiding Officer, the parties indicated no objection to the composition of the Board. In addition, the Board advised the parties that the Board had no bias on this file.

## **BACKGROUND**

The subject property is a 32,251 square foot (sf) warehouse located at 15721 118 Avenue NW. It has an effective year built of 1998. The site area is 114,101sf and the site coverage is 25%.

## **ISSUE**

Is the subject property assessed correctly and equitably?

## **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 filed this complaint on the basis that the \$4,527,500 property assessment is incorrect and inequitable. The Complainant argued that the direct sales approach indicates that the property value should be \$4,195,000 (\$130psf). The Complainant also argued that the assessments on similar properties indicate an equitable value of \$4,195,000.

The Complainant presented six sales comparables that have been time adjusted using the City of Edmonton time adjustment factors. The comparables have an average sale price of \$129.99psf and a median sale price of \$130.26psf. The comparables are similar in year built, size of building and site coverage. The Complainant stated that it was necessary to use sales from another quadrant of the city because there were so few sales of similar property in the northwest quadrant. Comparables #1, #2, #3 and #5 are located in the southeast quadrant and comparable #6 is located in the northeast quadrant.

The Complainant also presented four equity comparables that have an average assessment of \$127.49psf and a median assessment of \$128.25psf. Equity comparables #1 and #3 are located on major roadways.

In summary, the Complainant requested the Board to reduce the subject assessment to \$4,195,000.

### **Rebuttal**

The Complainant stated that all of the Respondent's sales comparables are superior to the subject property. The Complainant referenced the photographs of the Respondent's sales #1, #3 and #6 noting the superior construction and building materials. Sale #3 has a two level office area that includes boardrooms and a two storey atrium in the reception area. Sale #2 is located in the Winterburn Industrial area and the building is designed to support a 10 ton crane.

With respect to the Respondent's equity comparables, the Complainant stated that the equity comparables support a reduction in the assessment.

### **POSITION OF THE RESPONDENT**

The Respondent submitted that the subject assessment is correct and equitable. The Respondent explained that the subject property is located on 118 Avenue and the assessment reflects the location on a major traffic route.

The Respondent presented five sales comparables that range in value from \$147.66psf to \$198.85psf. Four of the comparables are located on major roadways and assessed as such.

The Respondent also presented four equity comparables that range in assessment from \$126.87psf to \$147.68psf. The comparables are similar in age and size of building, but inferior in site coverage. All of the equity comparables are located in the northwest quadrant on major traffic routes.

In summary, the Respondent requested the Board to confirm the assessment at \$4,257,500.

### **Rebuttal**

The Respondent provided the following comments on the Complainant's sales comparables. Only one of the Complainant's sales comparables is located in the same quadrant as the subject property and none of the comparables are located on major traffic routes.

The Respondent also addressed the Complainant's equity comparables by stating that none of the comparables are assessed a major traffic route factor therefore, the values are lower. The subject assessment of \$140.38psf includes a positive adjustment for being on 118 Avenue.

### **DECISION**

The subject property assessment is confirmed at \$4,527,500.

## **REASONS FOR THE DECISION**

The Board reviewed the Complainant's evidence and argument and finds as follows. None of the Complainant's sales are sufficiently comparable to establish that the assessment is in error. Five of the six sales are located in different quadrants of the city than the subject property and none are located on a major traffic route. Further, none of the Complainant's equity comparables are similar to the subject because none are assessed a major traffic influence.

The Board also reviewed the Respondent's sales comparables. While they are located in the northwest area of the city on major traffic routes, some of the comparables are dissimilar in other respects. For example, sale #2 is a warehouse building designed to support a 10 ton crane and is located in the Winterburn Industrial area. This sale is a poor indicator of value for the subject. Sale #3 appears to be superior to the subject in building design and construction materials. The balance of the sales comparables support the subject assessment.

Finally, the Board reviewed the Respondent's equity comparables. The comparables are similar in location, age, and size of building. The assessment comparables are inferior in site coverage. If adjusted upwards for the site coverage, they provide support for the subject assessment.

Based on the foregoing, the Board confirms the assessment.

Dated this 8<sup>th</sup> day of December, 2011, at the City of Edmonton, in the Province of Alberta.

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Robert Mowbrey, Presiding Officer

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*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.*

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cc: R W Gibson Holdings Ltd