



## **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 405/10**

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> 8956047	<b>Municipal Address</b> 9217 27 Avenue NW	<b>Legal Description</b> Plan: 7620561 Block: 11 Lot: 2
<b>Assessed Value</b> \$3,517,500	<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**

Marty Carpentier, 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 medium warehouse built in 1998 and located in the Parsons Industrial subdivision of the City of Edmonton. The building has a total building area of 25,500 square feet with 28% 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 an appraisal completed in July 9, 2008 of which the subject represents a portion of the total properties included in the report. The total appraised value was \$5,700,000. The portion attributed to the subject after applying the Complainant's time adjustment was \$3,085,500 (\$121 per sq. ft.).

Further, the Complainant presented four equity assessment comparables ranging in value from \$113.83 to \$126.60 per sq. ft. with an average assessment of \$119.79 per sq. ft.

The Complainant argued that the indicated value for the subject is \$121 per sq. ft. and based on this amount requested a reduction of the assessment to \$3,085,500.

## **POSITION OF THE RESPONDENT**

The Respondent presented seven sales comparables ranging in value from \$144.56 to \$178.66 per sq. ft., indicating that comparables # 1, # 2, # 3 and # 4 (between \$144.56 and \$169.98 per sq. ft.) are the four best comparables.

The Respondent further presented seven equity comparables ranging from \$135.23 to \$146.65 per sq. ft., indicating the two most comparable are sale # 6 and # 7 at \$146.65 and \$144.20 per sq. ft. respectively.

Further, the Respondent argued that applying the City's time adjustment to the appraisal value for the subject produces a value of \$126.60 per sq. ft. compared to the \$121 per sq. ft. requested by the Complainant.

## **DECISION**

The decision of the Board is to confirm the assessment at \$3,517,500.

## **REASONS FOR THE DECISION**

The Board is of the opinion that the Respondent's equity comparables # 6 and # 7 at \$146.65 and \$144.20 per sq. ft. respectively, with the same site coverage, similar age and square footage as the subject are the best indicators of value.

Further, when size corrections are made to the Complainant's equity comparables # 3 and # 4, they indicate values of \$125 and \$130 per sq. ft. With adjustments required for site coverage and age, these would appear to be in an acceptable range similar to the subject at \$137.94 per sq. ft.

The Board found that the appraisal report of the subject indicated a wide range in the value of sales comparables from \$110 to \$199 per sq. ft. (page 28 of Appraisal Report). The low end of the range is represented by older buildings (1962 to 1974). The Board is of the opinion that the comparables for mid-range buildings (1997 to 1981) appear to support the subject's assessed value of \$138 per sq. ft.

## **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  
York Realty Inc.