



## ASSESSMENT REVIEW BOARD

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

### NOTICE OF DECISION NO. 0098 407/11

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:
1041003	15935 118 Avenue NW	Plan: 8121071 Block: 3 Lot: 11	\$4,284,500	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

## **PROCEDURAL 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 40,499 square foot (sf) warehouse property is located at 15935 118 Avenue NW. It has an effective year built of 1978. The site area is 133,477sf and the site coverage is 25%.

## **ISSUE**

Is the subject assessment correct and equitable?

## **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 property assessment is incorrect and inequitable. The Complainant argued that the direct sales approach indicates the property value should be \$3,644,500. In support of this argument, the Complainant presented sales of comparable warehouses in the NW quadrant of the city. The sale price of these comparables ranges from \$80.70psf to \$133.91psf with an average sale price of \$103.19psf and a median sale price of \$89.16psf. The Complainant added that three of the sales comparables are on a major roadway similar to the 118 Avenue location of the subject.

The Complainant also argued that the assessments on similar competing properties indicate an equitable value of \$3,968,500. Four equity comparables were presented by the Complainant. They have an average assessment of \$96.98psf and a median assessment of \$97.99psf. The Complainant requested the Board to reduce the assessment to \$3,968,500 (\$98.00psf).

## **Rebuttal**

The Complainant stated that none of the Respondent's sales are very similar. For example, the Respondent's sale #4 is superior in terms of building design and materials. It has a two level office area that includes a two storey atrium in the reception and boardrooms.

## **POSITION OF THE RESPONDENT**

The Respondent submitted that the subject assessment of \$4,284,500 is correct and equitable. The Respondent explained that the factors found to affect value in the warehouse inventory were: the location of the property, the size of the lot, the age and condition of the building, the total area of the main floor, developed second floor and mezzanine area. The subject 40,499sf building is comprised of 33,933sf of space on the main floor and 6,566sf of finished mezzanine space. The subject property is assessed a major traffic route influence because of the 118 Avenue location.

The Respondent further explained that the subject property has a site coverage of 25% which is below the typical site coverage for this type of property. Site coverage affects the value of a property. Properties such as the subject property with a larger amount of land in relation to the building footprint will see a higher value per square foot, as each square foot has to account for the additional value attributable to the larger land area.

In support of the subject assessment, the Respondent presented four sales comparables that range in value from \$101.65psf to \$157.98psf. The subject is assessed at \$105.79psf.

The Respondent also presented eight equity comparables that range in assessment from \$98.34psf to \$114.49psf. Based on these comparables, the Respondent requested the Board to confirm the assessment at \$4,284,500.

## **Rebuttal**

The Respondent commented on the Complainant's sales as follows. The Complainant's sale #1 supports the assessment. Sale #2 is not similar because it has fifteen buildings with a mixture of buildings including movable offices, a Quonset hut, utility buildings and material storage buildings. Sale #3 included inventory and part of a business acquisition. Sale #4 was vacant at sale date and the purchaser planned to renovate.

The Respondent stated that the Complainant's equity comparables have greater site coverage than the subject and if adjusted for differences would support the subject assessment.

## **DECISION**

The property assessment is confirmed at \$4,284,500.

## **REASONS FOR THE DECISION**

After eliminating the Complainant's sales #2 and #3, the Board finds that the Complainant's sales evidence supports the assessment under complaint. As well, if the Complainant's equity comparables were adjusted for differences, they also support the subject assessment. In conclusion, the Board finds that the Complainant has not provided sufficient evidence to establish that the subject assessment is incorrect or inequitable.

Dated this 9<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: Inlett Inc