



## **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 430/10**

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> 1536408	<b>Municipal Address</b> 15826 112 Avenue NW	<b>Legal Description</b> Plan: 987KS Block: 5 Lot: 5
<b>Assessed Value</b> \$3,286,500	<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**

Steve Radenic, 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 1987 and located in the Sheffield Industrial subdivision of the City of Edmonton. The property has a total building area of 29,398 square feet and site coverage of 34%.

## **ISSUES**

The Complainant had attached a schedule listing numerous issues to the complaint form. However, most of those issues had been abandoned and the issues left to be decided were as follows:

- What is the typical market value of the subject property?
- Should the subject receive an adjustment for perpendicular configuration?

## **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 argued that the assessment of the subject is incorrect and presented six direct sales comparables ranging in value from \$67.28 to \$102.98 per sq. ft. in support of this argument.

The Complainant further argued that the subject property should receive a 10% downward adjustment because it is configured perpendicular to the road, and as a result, the multi-tenant building is disadvantaged due to frontage and visibility to the street.

## **POSITION OF THE RESPONDENT**

The Respondent presented five direct sales comparables ranging from \$108 to \$159 per sq. ft. (R-3a67, page 17).

Further, the Respondent presented five equity comparables ranging from \$109.13 to \$128.18 per sq. ft.

The Respondent argued in regard to the issue of adjustment that the subject property is strictly a storage type building with no disadvantage as to frontage or visibility.

## **DECISION**

The decision of the Board is to reduce the current assessment to \$2,957,500.

## **REASONS FOR THE DECISION**

The Board is of the opinion that the subject should receive a 10% downward adjustment for perpendicular configuration. The subject is a multi-tenant building with multiple bays some of which are disadvantaged due to the limited frontage and visibility to the street.

The Respondent's argument that the use of the property was given consideration in not allowing this adjustment is invalid, as the use of the subject has little to no bearing on the valuation.

In regard to the direct sales comparables, the Board is of the opinion that the Respondent's sales comparables # 2 to # 4 with a value range of \$108.41 to \$151.21 per sq. ft. best represent the comparability to the subject at \$111 per sq. ft. This is further supported with equity comparables from \$109 to \$119 per sq. ft.

## **DISSENTING OPINION AND REASONS**

There was no dissenting opinion.

Dated this 4th day of November, 2010, at the City of Edmonton, in the Province of Alberta.

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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.*

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CC: Municipal Government Board  
Gregg Properties Co. Ltd.