



## **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 434/10**

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> 1554187	<b>Municipal Address</b> 17426 106A Avenue NW	<b>Legal Description</b> Plan: 7621205 Block: 6 Lot: 11
<b>Assessed Value</b> \$1,894,500	<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**

Mary-Alice Lesyk, Assessor  
Aleisha Bartier, 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 1977 and located in the McNamara Industrial subdivision of the City of Edmonton. The property has a total building area of 18,472 square feet with site coverage of 45%.

## **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?
- What is the "condition" of the subject property?

## **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 ranging in value from \$67.28 to \$100.37 per sq. ft. The Complainant withdrew one comparable as the sale was considered by the Complainant as non arms length.

The Complainant argued that the assessment of the subject was not supported by the comparables sales presented.

Further, the Complainant argued that the subject property is in “average” condition not “good”, as indicated from the external photo.

## **POSITION OF THE RESPONDENT**

The Respondent presented four direct sales comparables ranging in value from \$103.98 to \$146.40 per sq. ft.

The Respondent also presented four equity comparables ranging from \$104 to 106 per sq. ft.

The Respondent argued that the range of both the direct sales and equity comparables support the assessment of the subject and requested confirmation of the assessment.

## **DECISION**

The decision of the Board is to confirm the assessment at \$1,894,500.

## **REASONS FOR THE DECISION**

The Board reviewed both parties’ comparable sales. Both parties presented sale # 2 at 17503-108 Avenue as similar to the subject indicating a city time adjusted value of \$106.05 per sq. ft. This would support the assessment of the subject at \$102.56 per sq. ft.

Further, the Board found the Respondent’s sale # 3, similar in age, size and location to be a similar comparable at a value of \$103.98 per sq. ft.

The Board is of the opinion that the Respondent’s equity comparables ranging from \$104 to \$106 per sq. ft. supported the assessed value with similarities in age, size, site coverage and location.

In regard to the issue of condition, no substantive evidence was brought forward. The Respondent submitted that the subject’s condition has been changed to “average” for the 2011 assessment. The Respondent further submitted that if the city were to change the condition for 2010, there would be no change in value, as the current model did not show a difference between “average” and “good” condition sales.

## **DISSENTING OPINION AND REASONS**

There was no dissenting opinion.

Dated this 10th 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  
J .K. Mckenzie Holdings Ltd.