



## **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 435/10**

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><br>1561026        | <b>Municipal Address</b><br>10230 176 Street NW | <b>Legal Description</b><br>Plan: 7722579 Block: 5 Lot: 2 |
| <b>Assessed Value</b><br>\$2,065,000 | <b>Assessment Type</b><br>Annual – New          | <b>Assessment Notice for:</b><br>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 1979 and located in the Stone Industrial subdivision of the City of Edmonton. The property has a total building area of 14,616 square feet, all main floor space and site coverage of 21%.

## **ISSUES**

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

- Based on comparable sales, is the assessment deemed to be reflective of market value?

## **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 produced a chart of three sales comparables (C-3a63, page 11). The average time adjusted value per sq. ft. of these comparables was \$92.99 whereas the subject was assessed at \$141.28.

The Complainant requested that the Board reduce the assessment of the subject to \$1,359,000 based on applying a value of \$92.99 per sq. ft. to the subject.

## **POSITION OF THE RESPONDENT**

The Respondent provided a chart of six sales comparables for the consideration of the Board (R-3a63, page 17). The average time adjusted price per sq. ft. of these comparables was \$159.02 while the assessment of the subject was \$141.28 per sq. ft. The Respondent indicated that sales comparables # 4 and # 5 were the most comparable to the subject in terms of age and size.

The Respondent also provided six equity comparables to the subject (R-3a63, page 24). These comparables showed an average assessment of \$146.20 per sq. ft. while the assessment of the subject was \$141.29 per sq. ft.

The Respondent submitted to the Board that these comparables showed that the assessment of the subject was correct and asked the Board to confirm the assessment of the subject at \$2,065,000.

## **DECISION**

The decision of the Board is to confirm the assessment of the subject at \$2,065,000.

## **REASONS FOR THE DECISION**

With respect to the sales comparables presented by the Complainant, the Board heard evidence that there was a size discrepancy with comparable # 2 when compared with the information on the Network documents (C-3a63, page 33). The Board also notes that comparable # 1 and comparable # 3 include finished upper level space whereas the subject possesses only main floor space. In the opinion of the Board, this makes these comparables of less assistance in establishing value for the subject.

In considering the sales comparables presented by the Respondent, the Board heard evidence that comparable was purchased by the vendor's son while another was purchased by an adjoining owner. Sales comparable # 6 is located on a major artery. All these factors may have had an effect on the purchase price.

However, the Board concludes that it is up to the Complainant to demonstrate to the Board that there is an error in the assessment. The Board is of the opinion that the Complainant did not provide sufficiently compelling evidence to allow the Board to conclude that the assessment of the subject is incorrect.

For the above reasons, the decision of the Board is to confirm the assessment of the subject property at \$2,065,000.

### **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  
Melcor Developments Ltd.