



## ASSESSMENT REVIEW BOARD

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

### NOTICE OF DECISION NO. 0098 450/11

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 18, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
9953876	17810 114 Avenue NW	Plan: 9820739 Block: 6 Lot: 5A	\$3,662,000	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  
Walid Melhem, Altus Group

#### Persons Appearing on behalf of Respondent:

Will Osborne, 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 property is a 24,030 square foot (sf) warehouse located at 17810 114 Avenue NW in the Edmiston Industrial neighborhood. The building has an effective year built of 1998. The site area is 132,160 sf and the site coverage is 18%.

## **ISSUE**

Is the subject property 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 \$2,883,500. The assessments on similar properties indicate that an equitable value is \$3,159,500.

The Complainant presented three sales comparables in support of his request. The sales have been time adjusted using the City of Edmonton time adjustment factors. The comparables range in value from \$117.07psf to \$156.33psf with an average of \$130.21psf and a median of \$117.24psf.

The Complainant also presented five equity comparables that range from \$107.12psf to \$173.22psf with an average of \$135.56psf and a median of \$131.36psf.

The Complainant requested the Board to reduce the assessment to \$2,883,500 (\$120.00psf).

## **Rebuttal**

The Complainant contends that the Respondent's sales comparables are not similar properties and made the following observations about the Respondent's sales comparables. Sales #1 and #2 have cranes. Sales #3 and #10 are located in Winterburn. Sales #4, #5, #7, #8, #9 and #12 are located in the southeast quadrant. Sale #6 has a cold storage component. Sale #9 sold with two vacant lots.

## **POSITION OF THE RESPONDENT**

The Respondent argued that the property assessment of \$3,662,000 is correct and equitable. In defense of the assessment, the Respondent provided thirteen sales comparables that range in value from \$149.94psf to \$272.50psf. The Respondent acknowledged that some of the comparable sales have characteristics that differ from the subject but these differences are taken into account in the multiple regression analysis method used to value this group of properties. The subject is assessed at \$152.39psf.

Originally the Respondent disclosed seventeen equity comparables but requested the Board to delete four because they were not similar properties. The thirteen remaining equity comparables range in value from \$146.91psf to \$182.65psf.

The Respondent requested the Board to confirm the assessment at \$3,662,000.

## **Rebuttal**

The Respondent stated that the Complainant's sale #1 supports the subject assessment of \$152.39psf. It has a Quonset hut on site and if the area for this building is removed from the total building area, the time adjusted sale price for this property is \$165.36psf. Sale #3 also has a large portion of the total building area covered by a canopy. A canopied building is less valuable per square foot than a typical building. As well two of the equity comparables are not similar.

## **DECISION**

The subject property assessment is confirmed at \$3,662,000.

## **REASONS FOR THE DECISION**

In considering this complaint, the Board reviewed the Complainant's sales evidence and argument and finds insufficient evidence to alter the assessment. The Complainant's first comparable sold for \$165.36psf which is a higher per square foot value than the subject assessment. The Complainant's third comparable is not similar because a large portion of the building is covered by a canopy. This leaves only one comparable sale and this is not sufficient evidence of an incorrect assessment.

The Board also reviewed the Complainant's equity comparables and finds that two of the comparables are inferior. Equity comparable #3 has a canopied portion of the building and equity comparable #5 has a shed and a utility building. Comparables #1 and #4 support the subject assessment. This leaves only comparable #2, which if adjusted for the minor differences in age, site area, site coverage and building size also supports the subject assessment.

In spite of the weaknesses in the Complainant's evidence, the Board reviewed the Respondent's evidence. The best evidence of value is the Respondent's sales comparables #11 and #13 which sold for \$147.14psf and \$198.85 respectively. The assessment is #152.39psf. Accordingly, the assessment is confirmed at \$3,662,000.

Dated this 14<sup>th</sup> day of December, 2011, at the City of Edmonton, in the Province of Alberta.

---

Robert Mowbrey, 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, RSA 2000, c M-26.*

---

cc: Williams Transfer Ltd.