



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 451/10

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:

Roll Number 9562893	Municipal Address 3611 76 Avenue NW	Legal Description Plan: 7821234 Block: 6 Lot: 9
Assessed Value \$3,108,500	Assessment Type Annual - New	Assessment Notice for: 2010

Before:

Tom Robert, Presiding Officer
Dale Doan, Board Member
Mary Sheldon, Board Member

Board Officer:

Segun Kaffo

Persons Appearing: Complainant

Chris Buchanan

Persons Appearing: Respondent

Suzanne Magdiak, Assessor
Cherie Skolney, 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 (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 were of little significance. Therefore, the Board has accepted the time adjustment figures used by the Respondent.

BACKGROUND

The subject is a medium warehouse located in the Weir Industrial subdivision of the City of Edmonton. The single level building was constructed in 1982 and has a gross building area of 25,570 square feet. The site coverage is 32% and there is no finished upper floor space.

ISSUES

The Complainant had attached a schedule listing numerous issues to the complaint form. Most of those issues were abandoned and the remaining issues to be decided were as follows:

- Based on comparable sales, is the assessment deemed to be reflective of market value?
- When compared to comparable property assessments, is the subject property's assessment equitable?

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 provided a chart of four sales comparables in support of his position that the assessment of the subject was not reflective of market value (C-3zz, page 12). He indicated to the Board that in his opinion, his sales comparable #1 was the most comparable in determining the value of the subject. The average time adjusted sale price per sq. ft. of the total area of the comparables was \$97.32 while the assessment of the subject was \$120.86 per sq. ft.

In support of his position that the assessment of the subject was not equitable, the Complainant provided a chart of equity comparables. He indicated that of the five comparables, # 5 was the best indicator of value. He indicated further that equity comparable # 1 possessed characteristics which gave it a much lower value. The average assessment per sq. ft. of these comparables was \$98.40.

The Complainant requested the Board to apply the figure of \$97.32 per sq. ft. to the subject and reduce the assessment to \$2,503,000.

POSITION OF THE RESPONDENT

The Respondent provided a chart of seven sales comparables to the Board (R-3zz, page 18). Some of these comparables had finished upper floor space. The time adjusted price of these comparables ranged from \$121.58 to \$152.28 per sq. ft.

The Respondent also provided a chart of thirteen equity comparables (R-3zz, page 26). The Respondent advised the Board that while the comparables were similar in terms of age and size, the comparable # 10 was only in "fair" condition and would need an upward adjustment to be comparable to the subject. The range per sq. ft. was from \$121 to \$128.

The Respondent argued that this evidence showed that the assessment of the subject was reflective of market value and was fair and equitable.

DECISION

The decision of the Board is to confirm the assessment of the subject at \$3,108,500.

REASONS FOR THE DECISION

The Board notes that the sales comparables presented by the Complainant are older than the subject and at least one has finished upper floor space which makes it less comparable to the subject. The Board notes as well that evidence was brought forward indicating that the Complainant's sales comparable # 4 is rated as in "poor" condition which makes it less comparable to the subject. Only one of the comparables is on a major roadway, similar to the subject.

Of the equity comparables presented by the Complainant, the Complainant indicated that comparable # 1 had some special features which gave it a lower value and that this comparable

should not be relied upon. Comparable # 5, which the Complainant indicated was the best of the equity comparables was older than the subject, larger in size and with smaller site coverage.

The Board also notes the Respondent's argument that the Complainant did not present any evidence concerning the condition of any of his sales and equity comparables.

For the above reasons, the Board concludes that the Complainant did not discharge his responsibility of showing the assessment of the subject to be incorrect. The sales and equity evidence presented by the Respondent show that the assessment of the subject is within an acceptable range and the assessment should be confirmed.

DISSENTING OPINION AND REASONS

There was no dissenting opinion.

Dated this 25th day of October, 2010, at the City of Edmonton, in the Province of Alberta.

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.

CC: Municipal Government Board
Gregg Properties Co Ltd.