



## **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 452/10**

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> 9566035	<b>Municipal Address</b> 3751 74 Avenue NW	<b>Legal Description</b> Plan: 7821234 Block: 12 Lot: 2
<b>Assessed Value</b> \$3,007,000	<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**

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, single-story warehouse in the Weir Industrial subdivision of the City of Edmonton. It was constructed in 1988 and has a gross building area of 23,520 sq. ft. The site coverage is 34% and there is no finished upper level 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 presented a chart of four sales comparables in support of his position that the assessment of the subject was not reflective of market value (C-3a1, page 12). The average time adjusted price for total area for the comparables was \$81.72 per sq. ft. whereas the assessment of the subject was \$127.85 per sq. ft.

The Complainant also presented a chart of equity comparables (C-3a1, page 14). The average assessment of these four equity comparables was \$86.85 per sq. ft.

The Complainant requested that the Board apply the value of \$81.72 to the subject and reduce the assessment to \$1,921,500.

## **POSITION OF THE RESPONDENT**

The Respondent presented a chart of six sales comparables to the Board (R-3a1 page 17). The time adjusted sale price per square foot of these comparables ranged from \$125.75 to \$152.28. He submitted that the assessment of the subject at \$127.85 per sq. ft. was within this range.

The Respondent also presented a chart of eleven equity comparables (R-3a1, page 24). Three of these equity comparables had finished upper floor space, unlike the subject. The assessment of main floor area ranged from \$118 to \$142 per sq. ft. and he submitted that the assessment of the subject was within this range.

The Respondent requested the Board to confirm the assessment of the subject.

## **DECISION**

The Board concludes that the assessment of the subject should be confirmed at \$3,007,000.

## **REASONS FOR THE DECISION**

The Board notes that of the Complainant's sales comparables, many are older than the subject, #1 comparable has finished upper area space and #2 comparable is rated as being in "fair" condition. This makes those comparables less reliable in establishing value for the subject.

The Board notes that no evidence was provided by the Complainant as to the condition of his sales and equity comparables.

The equity comparables presented by the Complainant vary in building area, age and site coverage.

With respect to the evidence provided by the Respondent, the Board is persuaded by the equity comparables presented that the assessment of the subject is equitable. For example, the

Respondent's equity comparable # 8 is very similar to the subject in terms of lot size, main floor area and site coverage. It is assessed at \$142 per sq. ft. as a result of its newer age.

Therefore, the Board concludes that the 2010 assessment of the subject 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.

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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  
Paragon Investments Ltd.