



## ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL  
1 SIR WINSTON CHURCHILL SQUARE  
EDMONTON, ALBERTA T5J 2R7  
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### NOTICE OF DECISION NO. 0098 46/10

CANADIAN VALUATION GROUP  
1200, 10665 JASPER AVENUE  
EDMONTON AB T5J 3S9

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 July 12, 2010 respecting an appeal on the 2010 Annual New Realty Assessment.

<b>Roll Number</b> 10005451	<b>Municipal Address</b> 11313 170 St.	<b>Legal Description</b> Plan 2477KS Block 2 Lot 10 et al. Plan 1956RS Block 2 Lot 8A et al.
<b>Assessed Value</b> \$6,458,500	<b>Assessment Type</b> Annual New	<b>Taxation Year</b> 2010

#### Before:

Jack Schmidt, Presiding Officer  
Mary Sheldon, Board Member  
Brian Hetherington, Board Member

#### Persons Appearing: Complainant

Tom Janzen, Agent

#### Persons Appearing: Respondent

Kevin Xu, Assessor  
Veronika Ferenc-Berry, Solicitor

#### PRELIMINARY MATTERS

This file is cross-referenced to the evidence, argument and submissions presented during the hearing for tax account # 9974956

#### PROPERTY DESCRIPTION AND BACKGROUND

The subject property consists of two office/warehouse buildings containing a total of 58,079 sq. ft. (16,493 square feet of office space) built in 1972 and 1995 with site coverage of 22 percent. The building built in 1972 includes a 2002 addition and has an effective age of 1985 for assessment purposes. This property is located in West Sheffield Industrial neighbourhood. There are three additional, ancillary structures on the property. The subject assessment of \$6,458,500 equates to a total building area of 59,715 sq. ft. at a rate of \$108.16 per square foot.



## **ISSUES**

Is the value per square foot of the subject property, as estimated for assessment purposes, higher than the values derived from the sale of similar, comparable properties?

Is the current assessment of the subject property fair and equitable in relation to the assessments of similar properties?

## **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**

1. To support his position that a reduction in the assessment of the subject property was appropriate, the Complainant submitted six sales comparables for the Board's consideration. Three of those six comparables were in the southern portion of Edmonton, while the remaining comparables were in the north-west portion, the same location as the subject property. The building sizes of the comparables ranged from 35,258 sq. ft. to 70,567 square feet. The building site coverages ranged from 31% to 52% . The ages of the comparables ranged from 29 to 48 years. (Exhibit C-1, page 1)
2. The Complainant advised that one of the sales took place in 2008 and four of the others took place prior to the July 1, 2009 valuation date. He time-adjusted these sale prices by a factor of 1% per month. He submitted that he did not make any detailed calculations for other adjustments made regarding other characteristics of the comparables.
3. The Complainant stated that his sale comparables #3 at \$90.11 per square foot and #5 at \$75.98 per square foot were the most appropriate in considering the value placed on the subject property.
4. The Complainant provided a chart of the Respondent's sales comparables, showing assessment to sales ratios. (Exhibit C-2, page 2) He argued that this chart demonstrated that the sales comparables presented by the Respondent were not appropriate in establishing value for the subject property since the assessment to sale ratios were outside the acceptable range.
5. The Complainant requested that a fair assessed value for the subject property should be based on \$90.00 per sq. ft. for a total assessment of \$5,227,000.

## **POSITION OF THE RESPONDENT**

1. The Respondent took the position that the assessment was fairly completed and, in support of this position, six sales comparables were presented for the Board's consideration. (Exhibit R-1, page 20)
2. The Respondent submitted that the average price per sq. ft. of his sales comparables was \$115.50 and that the assessment per sq. ft. of the subject property, at \$108.16, was within an acceptable range.
3. The Respondent supplied further support to his submission that the assessment of the subject property was fair and equitable in the form of a chart of equity comparables to the subject property. (Exhibit R-1, page 27) The average assessment per sq. ft. of these eight equity comparables was \$121.11, while the assessment per sq. ft. for the subject property, at \$108.16, was within an acceptable range.
4. The Respondent argued that many of the sales comparables presented by the Complainant were located in a completely different area of Edmonton and were therefore not good comparables. As well, he pointed out that the site coverages, of the Complainant's comparables as well as the ages of the buildings and the building sizes varied widely from the characteristics possessed by the subject property.

## **FINDINGS**

The Board finds that the assessed value per square foot of the subject property is not overstated.

The Board finds that the current assessment of the subject property is fair and equitable when compared with the assessments of similar properties.

## **DECISION**

Having considered the arguments, evidence and submission of the parties brought forward during the hearing, the complaint is denied.

## **REASONS FOR THE DECISION**

1. The Board accepts the Respondent's argument that many of the Complainant's sales comparables fall outside the location of the subject property, making a comparison less valuable. As well, the Board notes that the site coverages of these comparables, as well as the ages and the building sizes of the comparables, vary widely from the characteristics of the subject property. The Complainant did not present his calculations in making adjustments to the comparables for these characteristics, but the major adjustments required makes the proposed value for the subject property less reliable.
2. The Board notes that the sales comparables provided by the Respondent also vary widely from the subject property in terms of size, age and site coverage.

3. The Board notes as well that the assessment-to-sale ratio chart of the Respondent's sales comparables, as presented by the Complainant, casts some further doubts on those sales comparables.
4. However, the Board notes that it is the responsibility of the Complainant to prove that the assessment of the subject property is not correct. The Board is not convinced that the sales comparables presented by the Complainant shows the assessment to be too high.

Accordingly, the assessed value of the subject property is confirmed at \$6,458,500.

Dated this fourteenth day of July 2010 A.D. at the City of Edmonton, in the Province of Alberta.

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Presiding Officer

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CC: Municipal Government Board  
City of Edmonton, Law Branch  
City of Edmonton, Assessment & Taxation Branch  
Accent Financial Investments