



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 461/10

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 10013351	Municipal Address 18403 – 18439 104 Avenue	Legal Description Plan: 0325479 Block: 1 Lot: 2
Assessed Value \$8,163,000	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

Walid Melhem

Persons Appearing: Respondent

Mary-Alice Lesyk, Assessor
Steve Lutes, 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 large warehouse built in 2004 and located in the Sunwapta Industrial subdivision of the City of Edmonton. The property has a total building area of 72,877 square feet with site coverage of 34%.

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:

- What is the typical market value of the subject property?

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 argued that the sale of the subject property on September 17, 2009 for \$7,000,000 or \$96.05 per sq. ft. is the best indicator of value for the subject. Based on this the Complainant requested that the assessment should be reduced to \$7,000,000.

POSITION OF THE RESPONDENT

The Respondent presented four direct sales comparables ranging in value from \$139.91 to \$193.62 per sq. ft. The subject was assessed at \$112.01 per sq. ft.

The Respondent also presented five equity comparables ranging in value from \$108 to \$118 per sq. ft.

The Respondent argued that the sale of the subject is post facto and should not be used in developing analysis in arriving at a value for the subject property.

The Respondent further argued that no validation evidence of the sale has been presented, other than the third party network documents, which indicate that the property was acquired jointly with another building.

DECISION

The decision of the Board is to confirm the current assessment at \$8,163,000.

REASONS FOR THE DECISION

The Board is of the opinion that there is insufficient evidence as to the validity of the sale of the subject, and further agrees that the sale of the subject is post facto.

In regard to the direct sales comparables presented, the Board finds that sale # 4 similar in age, site coverage and size at \$139 per sq. ft. is similar to the subject. Further the equity comparables presented appear to support the current value. The Complainant presented only the third party sale document as evidence.

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.

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
104 Edmonton Holdings Ltd