



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 480/10

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 2219087	Municipal Address 14055 128 Avenue NW	Legal Description Plan: 5841RS Block: 1 Lot: 3A
Assessed Value \$3,294,500	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

Walid Melhem

Persons Appearing: Respondent

Kevin Xu, 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 medium warehouse built in 1972 and located in the Bonaventure Industrial subdivision of the City of Edmonton. The property has a total building area of 33,312 square feet and site coverage of 30%.

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 presented six sales comparables ranging in value from \$67.28 to \$114.10 per sq. ft. with an average of \$81.37 per sq. ft. (\$87.31 per sq. ft. on main floor only).

The Complainant argued that the assessment is incorrect based on the sales comparables provided and requested a reduction to \$75.00 per sq. ft. or \$2,498,000.

POSITION OF THE RESPONDENT

The Respondent submitted five direct sales comparables ranging from \$95.94 to \$146.40 per sq. ft. with an average of \$115.18 per sq. ft. (R-a77, page 20).

In addition, the Respondent presented seven equity comparables ranging in value from \$90.44 to \$99.85 per sq. ft.

The Respondent argued that these comparables support the assessment of the subject property and requested confirmation of the current assessment.

DECISION

The decision of the Board is to confirm the assessment at \$3,294,500.

REASONS FOR THE DECISION

The parties both presented a sale at 14545 – 128 Avenue in close proximity to the subject with a building area of 21,840 and site coverage of 21%. The subject has a total building area of 33,312 square feet and site coverage of 30%.

Adjusting for size and site coverage, the indicated sale using the City's time adjustment is \$120.53 per sq. ft. compared to the subject value of \$98.90 per sq. ft. Taking into consideration these adjustments it would appear that this comparable is similar.

The balance of the sales brought forward by both parties required significant adjustments for location, size, age and site coverage, as well as second floor space.

The Board is left only with the comparable at 14545 – 128 Avenue which both parties relied upon, and which appears to support the current value.

DISSENTING OPINION AND REASONS

There was no dissenting opinion.

Dated this 10th 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
Baramy Investments Ltd.