



## 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 500/10

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 November 8, 2010 respecting a complaint for:

<b>Roll Number</b> 8053753	<b>Municipal Address</b> 9943 – 82 Avenue NW	<b>Legal Description</b> Plan: I Block: 58 Lot: 7
<b>Assessed Value</b> \$828,000	<b>Assessment Type</b> Annual New	<b>Assessment Notice for:</b> 2010

#### **Before:**

Tom Robert, Presiding Officer  
Tom Eapen, Board Member  
John Braim, Board Member

#### **Board Officer:**

J. Halicki

#### **Persons Appearing: Complainant**

Chris Buchanan, Agent  
Altus Group Ltd.

#### **Persons Appearing: Respondent**

Guo He, Assessor  
Assessment and Taxation Branch

### **BACKGROUND**

The subject property is an auto service type property located in the Ritchie subdivision at 9943-82 Avenue. The subject is a stand-alone building with an area of 6,095 ft<sup>2</sup> and a land area of 13,057 ft<sup>2</sup>.

### **ISSUE**

Is the subject property assessed fairly and equitably with 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**

The Complainant argued that although the subject has been assessed on the income approach to value, the value per square foot of \$183.36 is excessive to comparable properties presented.

The Complainant presented fifteen comparables ranging in value from \$106.08 to \$193.50/ft<sup>2</sup> indicating an average of \$134.29/ft<sup>2</sup> and a median of \$131.50/ft<sup>2</sup>. The requested value of \$134.29/ft<sup>2</sup> equates to a value of \$606,413.

## **POSITION OF THE RESPONDENT**

The Respondent argues that the subject is assessed by using the Income Approach because it is an income/investment property. Further, the Respondent provided ten comparable indicating rental rates from \$15.50 to \$20.50/ft<sup>2</sup> all with an 8.00% capitalization rate. The subject rental rate is \$16.00/ft<sup>2</sup> with an 8.00% capitalization rate. The Respondent argued that the rental rate of \$16.00/ft<sup>2</sup> falls to the bottom of the range of comparables and further, that the capitalization rate of 8.00% is comparable to the subject.

## **DECISION**

The decision of the Board is to confirm the 2010 assessment at \$828,000.

## **REASONS FOR THE DECISION**

The Board is of the opinion that the Complainant's comparables are not within the same area of the subject and no adjustments have been applied.

The Board recognizes that the parties have argued on the basis of different approaches to value, arriving at a different conclusion.

The Board is of the view that regardless of the valuation approach, recognition of: location, building type, and age must be considered in an argument based on fairness and equity.

### **DISSENTING OPINION AND REASONS**

There were no dissenting opinions.

Dated this tenth day of November, 2010 A.D., 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  
City of Edmonton, Assessment and Taxation Branch  
Lazy B Corp.