



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 505/10

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:

Roll Number 6350219	Municipal Address 13022 – 97 Street NW	Legal Description Plan: 618KS Block: 10 Lot: 4
Assessed Value \$589,500	Assessment Type Annual New	Assessment Notice for: 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 Lauderdale subdivision at 13022 – 97 Street NW. The subject is a standalone building with an area of approximately 3,322 ft² and a land area of approximately 7,356 ft².

ISSUE(S)

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 \$177.45 is excessive to comparable properties presented.

The Complainant presented fifteen equity comparables ranging in value from \$106.08/ft² to \$193.50/ft² indicating an average of \$134.29/ft² and a median of \$131.51/ft². The requested value of \$134.29/ft² equates to a value of \$446,111.

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 comparables indicating rental rates from \$15.50/ft² to \$20.50/ft² all with an 8.00% capitalization rate. The subject rental rate is \$15.50/ft² with an 8.00% capitalization rate. The Respondent argued that the rental rate of \$15.50 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 total 2010 assessment at \$589,500.

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