



ASSESSMENT REVIEW BOARD

Churchill Building
10019 103 Avenue
Edmonton AB T5J 0G9
Phone: (780) 496-5026

NOTICE OF DECISION NO. 0098 514/11

ALTUS GROUP
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 on November 21, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
1612407	15830-121A Avenue NW	Plan: 8332ET Block: 2 Lot: 3	\$3,952,500	Annual New	2011

Before:

Warren Garten, Presiding Officer
Brian Carbol, Board Member
Mary Sheldon, Board Member

Board Officer: Segun Kaffo

Persons Appearing on behalf of Complainant:

Walid Melhem, Altus Group

Persons Appearing on behalf of Respondent:

Doug McLennan, Assessor, City of Edmonton
Scott Hyde, Assessor, City of Edmonton

PRELIMINARY 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 this file.

No other preliminary matters were brought forward before the Board

BACKGROUND

The subject property is a “small manufacturing plant” located in the Hawin Park Estate subdivision of the City of Edmonton with a municipal address at 15830-121A Avenue. The property has a building area of 21,369 square feet on a site area of 244,449 square feet. The land is currently zoned IB and has full municipal servicing.

ISSUE(S)

The main merit issue before the board is market value of the land (only) using the Direct Sales Comparison Approach to Value of the subject parcel totaling 244,449 Square Feet.

LEGISLATION

Municipal Government Act, RSA 2000, c M-26

s. 1(1)(n) ‘market value’ means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer.

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, using the Land Value Direct Sales Comparison Approach, presented 8 sales of similar properties in northwest Edmonton (C-1, p.11).
- The Complainant’s sales comparables resulted in an average sales price of \$11.15 per square foot and a median sales price of \$10.62 per square foot.
- The Complainant maintained that the 8 sales of similar properties used as comparables indicated a value lower than the current assessment, and requested a revised assessment for the land of \$10.50 per square foot for a total requested assessment of \$3,512,500 (C-1, p. 12).

COMPLAINANT'S REBUTTAL (C-2, p. 2)

- The Complainant argued that of the 7 properties presented by the City of Edmonton, four are located on busier roadways that would positively impact the values of the comparable.
- The Complainant also noted that another sale could not be found however the Respondent indicates that the property is located on 149 Street, which is also a busier roadway.
- The Complainant added the Respondent included an older rather than newer sale for the property located at 15003 128 Avenue.
- The Complainant concluded that while the Respondent only presented one sale of a property similar to the subject property, the Complainant has presented 8 sales of properties similar to the subject property, all indicating a value lower than the current assessment.

POSITION OF THE RESPONDENT

- In support of its position that the current assessment of the subject was fair and equitable, the Respondent provided a chart of 7 sales of land comparable to the land portion of the subject (R-1, p. 28). The Respondent advised the Board that the comparables were of similar size to the land portion of the subject and in similar locations in Edmonton. In questioning, the Respondent did note that most of the comparables were on busier roadways and in that respect were not similar to the subject. He indicated to the Board that the Respondent's comparable #2 was the same as comparable #1 in the Complainant's chart.
- The Respondent's chart showed that the range of time adjusted sale prices per square foot of the comparables was from \$11.45 to \$14.54. The median of these time adjusted sale prices per square foot was approximately \$13.00.
- The Respondent advised the Board that in his opinion this evidence showed that the assessment per square foot of the subject land at \$12.30 might be somewhat low but was a fair and equitable value given the comparables provided.
- The Respondent requested that the Board confirm the assessment of the subject at \$3,952,500.

DECISION

It is the Board's decision to confirm the current assessment at \$3,952,500

REASONS FOR THE DECISION

In reaching its decision, the Board considered all argument and evidence.

The Complainant provided to the Board 8 comparables for consideration. The Board found that the Complainant's comparable number 3 could not be considered as the location is on a major traffic artery. The Board found comparable numbers 2 and 5 to have a size differential which was not consistent with the subject. Further the Board found that comparable numbers 4 and 6

were deemed to be outliers as these are sales at \$6.76 and \$18.50 and are not consistent with the overall market. As a result the Board placed the most weight on Complainant's sales comparable numbers 1, 7 and 8 in addition to the Respondent's evidence.

The Respondent presented a total of 7 comparables of which all but number 2 were not considered by the Board as they are located on major traffic arteries. Comparable number 2 was considered by both the Complainant and the Respondent to be the best comparable as this sale was presented by both parties. The Board placed the most weight on this sale comparable with a time adjusted selling price of \$11.75 per square foot.

The Board found that the difference between the closest sale at 15003-128 Avenue at \$11.75 per square foot and the actual assessment of \$12.30 is an immaterial amount and should not warrant a change in the assessment.

DISSENTING OPINION AND REASONS

There were no dissenting opinions regarding this decision.

Dated this 13th day of December, 2011, at the City of Edmonton, in the Province of Alberta.

Warren Garten, 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, RSA 2000, c M-26.

cc: BURNSWEST CORPORATION