



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 519/11

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:
3811726	13145-97 Street NW	Plan: 9221526 Block: 34 Lot: H	\$2,637,000	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, Assistant 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 an “auto sales - major” located in the Killarney subdivision of the City of Edmonton with a municipal address at 13145 97 Street. The property has a building area of 26,720 square feet on a site area of 88,751 square feet. The land is currently zoned CSC 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 88,751 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 10 sales of similar properties in northeast Edmonton (C-1, p.10).
- The Complainant’s sales comparables resulted in an average sales price of \$15.57 per square foot and a median sales price of \$15.38 per square foot.

- The Complainant maintained that the 10 sales of similar properties used as comparables indicated a value lower than the current assessment, and requested a revised assessment for the land of \$19.00 per square foot for a total requested assessment of \$2,637,000 (C-1, p. 11).

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

- The Complainant further argued that 4 of the 8 sales presented by the Respondent are located in a much different area of the city.
- The Complainant added that of the 4 sales in the same area as the subject, 3 sold for a value similar to the requested land value of the Complainant.
- The fourth property is located in a superior location at the corner of 137 avenue and 97th Street, which would have double the exposure as the subject.

POSITION OF THE RESPONDENT

- In support of its position that the current assessment of the subject was fair and equitable, the Respondent produced for the consideration of the Board a chart of 8 sales of land comparable to the land portion of the subject (R-1, page 33). The time adjusted sale price per square foot of these comparables ranged from \$18.66 to \$45.14. The Respondent advised the Board that these comparables were similar in terms of visibility and traffic flow and that comparable #7 was higher as a result of its location on two major arteries. The Board was advised that comparable #2 produced by the Respondent was the same as comparable #1 of the Complainant
- The Respondent argued that the average time adjusted sale price of these comparables was \$28.69 and that this supported the assessment per square foot of the subject at \$24.32.
- The Respondent argued that the evidence showed that the current assessment of the subject was fair and equitable and requested that the Board confirm the assessment of the subject at \$2,637,000.

DECISION

It is the Board's decision to reduce the current assessment to \$2,165,000 based on a reduced land assessment of \$19.00 per square foot.

REASONS FOR THE DECISION

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

The Complainant provided 10 comparables for the Board's consideration. The Board found that that the Complainant's comparable numbers 2, 5, 6, 9 and 10 could not be considered as the location of all sites are on 127 Avenue which is deemed to be an interior site and not a good comparison. As a result, the Board placed the most weight on Complainant's sales comparable numbers 1, 3, 4, 7 and 8 in addition to the Respondent's evidence.

The Respondent presented a total of 8 comparables of which number 3, 6 and 8 were not considered by the Board as they are in West End or South Side locations. Comparable number 7 was removed from the list as there was no backup evidence of this sale. The Board placed the most weight on the Respondent's sales comparable numbers 1, 2, 4 and 7.

The Board considered the Complainant's comparable numbers 1, 3, 4, 7 and 8 along with the Respondent's comparable numbers 1, 2, 4 and 7. The Board found the average time adjusted selling price of these 9 sales to be \$20.04 per square foot with a median selling price of \$18.86.

The Board placed the most weight on the median price and reduced the land component of the assessment to \$1,686,307 from the initial assessment of \$2,158,428.

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: FREIL HOLDINGS CORPORATION.