



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 526/11

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 22, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
9976334	14811-114 AVENUE NW	Plan: 9926484 Block: 3 Lot: B	\$5,536,500	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
Shelly Milligan, 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 “Mini Warehouse/Residential” located in the Huff Bremner Estate Industrial subdivision of the City of Edmonton with a municipal address at 14811 114 Avenue. The property has a building area of 101,992 square feet on a site area of 173,637 square feet. The land is currently zoned IM 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 173,637 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 7 sales of similar properties in northwest Edmonton (C-1, p.12).
- These sales averaged \$12.58 per square foot with a median of \$12.49 per square foot.
- The Complainant indicated that these sales were located in the same area as the subject property.
- Based on these sales comparables the Complainant requests a revised assessment for the land portion of the subject property of \$12.50 per square foot for a total requested revised assessment of \$4,846,000 for the subject property (C-1, p. 13).

POSITION OF THE RESPONDENT

- The Respondent recommended that the current assessment of the subject be amended to \$5,106,500. This was not acceptable to the Complainant and so the merit hearing proceeded.
- In support of its position that the recommended amended assessment was fair and equitable, the Respondent produced a chart of 7 sales of lands comparable to the land portion of the subject (R-1, page 32). The Respondent advised that the range of time adjusted sale prices per square foot of these comparables would support an assessment per square foot of \$14.00 for the land portion of the subject, rather than the current assessment of \$16.48 per square foot for the land portion of the subject.
- The Respondent argued that the recommended value of \$14.00 per square foot for the land portion of the subject would result in a total assessment of \$5,106,500 and that the evidence showed that this value for the subject was fair and equitable.
- The Respondent requested that the Board amend the assessment of the subject to \$5,106,500.

DECISION

It is the Board's decision to reduce the current assessment to \$4,846,000 based on a reduced land assessment of \$12.50.

REASONS FOR THE DECISION

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

The Complainant provided 7 comparables for the Board's consideration. The Board found comparable numbers 1, 2 and 3 could not be considered as all sales were Post Facto. Sale numbers 4, 5, 6 and 7 were given the most weight by the Board along with the Respondent's evidence.

The Respondent presented a total of 7 comparables of which numbers 2, 3 and 7 were not considered by the Board as they are either too small or too large when compared to the subject. The Board placed the most weight on the Respondent's sales comparable numbers 1, 4, 5 and 6 along with the Complainant's evidence.

A single sale located at 15825-137 Avenue was common evidence from both the Complainant and Respondent.

The Board considered the Complainant's list of comparable sites numbers 4, 5, 6 and 7 along with the Respondent's comparable numbers 1, 4, 5 and 6. The Board found the average time adjusted selling price of these 7 sales to be \$12.75 per square foot with a median selling price of \$12.53 per square foot.

The Board placed the most weight on the median price and reduced the land component of the assessment to \$2,170,465 from the initial assessment of \$2,860,791.

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: SHAMROCK PROPERTY MANAGEMENT LIMITED