



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 539/11

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 23, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
1075514	9301-49 Street NW	Plan: 7622073 Block: 4 Lot: 12/11/10	\$9,020,500	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:

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 “manufacturing plants - other” located in the Eastgate Business Park subdivision of the City of Edmonton with a municipal address at 9301-49 Street. The property has a building area of 178,346 square feet on a site area of 311,394 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 311,394 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 9 sales of similar properties in southeast Edmonton (C-1, p.11).
- The Complainant’s sales comparables resulted in an average sales price of \$11.62 per square foot and a median sales price of \$11.99 per square foot.
- The Complainant maintained that the 9 sales of similar properties used as comparables indicated a value lower than the current assessment, and requested a revised assessment for the land of \$12.00 per square foot for a total requested assessment of \$8,206,500 for the subject property (C-1, p. 12).

COMPLAINANT'S REBUTTAL

- The Complainant further argued that of the 5 properties presented by the City of Edmonton, one is a property that is located on a busier roadway which would positively impact the value of the comparables.
- The Complainant also noted that one of the properties presented by the Respondent is significantly smaller than the subject and still sold for a value lower than the assessed value of the subject property.
- The Complainant added that the Respondent included a sale where no information on the sale could be found and the sale should not be considered,

POSITION OF THE RESPONDENT

- The Respondent presented to the Board a chart of 5 sales of comparable land in support of its position that the assessment of the subject was fair and equitable (R-2). This chart on R-2 had the corrected sizes and sale prices for some comparables which had originally appeared on page 27 of R-1.
- The Respondent advised the Board that the median time adjusted sale price for these comparables was \$13.73 per square foot.
- The Respondent further advised the Board that while the current assessment for the land portion of the subject was \$14.61 per square foot, she was prepared to revise the assessment per square foot of the land portion of the subject to \$13.73. This was based on the corrected median time adjusted sale price per square foot of the land sales comparables as shown on R-2.
- During questioning, the Respondent indicated that the comparable #5 on R-2 was not truly comparable to the subject land as it was a much smaller site. If this comparable #5 were excluded, the median time adjusted sale price per square foot of the remaining comparables on R-2 would be \$13.62.
- The Respondent argued that a value of \$13.73 per square foot for the land portion of the subject was fair and equitable and would yield a total amended assessment for the subject of \$8,744,500.
- The Respondent requested that the Board reduce the current assessment of the subject to the recommended \$8,744,500.

DECISION

It is the Board's decision to reduce the current assessment to \$8,207,000 based on a reduce land assessment of \$12.00 per square foot.

REASONS FOR THE DECISION

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

The Complainant provided 9 comparables for consideration. The Board found that the Complainant's comparable number 1 could not be considered as the location is on a major traffic artery. Further the Board found that comparable number 3 had no back up support as the sale could not be confirmed. As a result the Board placed the most weight on the Complainant's sales comparable numbers 2, 4, 5, 6, 7, 8 and 9 in addition to the Respondents' evidence.

The Respondent presented a total of 5 comparables of which number 1 and 5 were not considered by the Board as they are located on major traffic arteries. Comparables number 2 and 3 could not be considered as there was a huge size differential between these and the subject. The Board placed the most weight on the Respondent's sales comparable number 4.

The Board considered the Complainants number 2, 4, 5, 6, 7, 8 and 9 along with the Respondent's number 4. The Board found the average time adjusted selling price of these 8 sales to be \$12.11 per square foot with a median selling price of \$12.06.

The Board placed the most weight on the median price and reduced the land component of the assessment to \$12.00 per square foot or \$3,736,728 from the initial assessment of \$4,550,620.

DISSENTING OPINION AND REASONS

There were no dissenting opinions regarding this decision.

Dated this 14th 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: POSTMEDIA NETWORK INC