



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 548/11

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: |
|-------------|---------------------|-------------------------|----------------|-----------------|------------------------|
| 1007699 | 10130-179 Street NW | Plan:1409KS Block: 3 | \$3,525,000 | 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

Persons Appearing on behalf of Respondent:

Shelly Milligan

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 Morin Industrial subdivision of the City of Edmonton with a municipal address of 10130 179 Street. The property has a building area of 32,467 square feet on a site area of 91,063 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 91,063 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 seven sales of similar properties with interior locations, not on busy roadways that are in the vicinity of the subject.
- The Complainant argued that six of the comparables that were presented by the Respondent were on busier roadways with only one sale of a property similar to the subject.

- The Complainant indicated that all seven sales comparables used indicated a value lower than the current assessment, specifically the requested amount of \$14.25 per square foot for a total requested value of \$3,149,500 for the subject property.

POSITION OF THE RESPONDENT

- The Respondent submitted to the Board a list of seven sales of land which the Respondent stated were comparable to the subject (R-1, Page 7).
- The respondent argued that the best comparable in terms of its location as an interior lot was comparable #1. The respondent argued further that the size of the subject at approximately 2 acres fit within the range of sizes of the comparables. The sizes of those comparable lots ranged from approximately 1 to 3 acres and the time adjusted sales prices per square foot of the comparables ranged from \$18.25 to \$25.01. The Respondent stated to the Board that this range of comparables supported the assessed value of the subject land at \$18.37 per square foot.
- With respect to comparable #7, the Respondent indicated to the Board in closing argument that this sale should be excluded from the list of comparables since the zoning of that property was commercial rather than industrial and therefore not comparable to the subject.
- The Respondent stated that the sales comparables it had submitted to the Board demonstrated that the current assessment of the subject was fair and equitable and requested that the Board confirm that assessment at \$3, 525,000.

DECISION

The Board's decision is to reduce the 2010 assessment to \$3,149,500 based on a land value of \$14.25 per square foot.

REASONS FOR THE DECISION

In reaching its decision, the Board considered all argument and evidence. The Board found that most of the sales comparables provided by the Complainant best reflected the size, location and characteristics of the subject property. As a result the Board placed the most weight on the Complainant's seven sales comparables.

These seven sales comparables averaged 70,194 square feet with an average time adjusted price of \$14.36 per square foot and a median time adjusted price of \$14.35 per square foot. All sites were located in interior sites with low traffic volumes.

The Board found that upon review of comparable land sales provided by the Respondent, that one sale was withdrawn as it was deemed to be zoned Commercial rather than IB as originally suggested.

Five of the Respondent's comparable sales in the evidence package were located on major traffic arteries. These comparables did not reflect a similar location as the subject. The subject is located in an interior lot and has poor site visibility which will have the effect of lowering the

value of the land compared to sales used by the Respondent. The final comparable is well located with a time adjusted sales price of \$19.89 per Square Foot.

The Board found that there was overwhelming evidence from the Complainant to justify a reduction to \$14.25 per Square Foot.

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: Taz Holdings Ltd