



ASSESSMENT REVIEW BOARD

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NOTICE OF DECISION NO. 0098 560/10

Canadian Valuation Group
1200 10665 Jasper Avenue
Edmonton, AB T5J 3S9

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 9, 2010 respecting a complaint for:

| | | |
|--------------------------------------|---|---|
| Roll Number 1554252 | Municipal Address 10685 176 Street NW | Legal Description Plan: 7621205 Block: 6 Lot: 12 |
| Assessed Value \$2,186,000 | Assessment Type Annual - New | Assessment Notice for 2010 |

Before:

Rob Reimer, Presiding Officer
George Zaharia, Board Member
Judy Shewchuk, Board Member

Board Officer: Annet N. Adetunji

Persons Appearing: Complainant

Tom Janzen, CVG

Persons Appearing: Respondent

Marty Carpentier, Assessment & Taxation Branch

PRELIMINARY MATTERS

Upon questioning by the Presiding Officer, the parties present indicated no objection to the composition of the Board. In addition, the Board members indicated no bias with respect to this file.

BACKGROUND

The subject property is a single-tenant office/warehouse of 19,851 square feet, of which 9,438 square feet is office space. It was built in 1978, is located in west Edmonton, and is situated on a 1.34 acre lot resulting in a site coverage of 27%.

ISSUES

1. Is the 2010 assessment of the subject property fair and equitable?
2. Is the 2010 assessment of the subject property supported by the sales of similar properties?

LEGISLATION

The Municipal Government Act, R.S.A. 2000, c. M-26;

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 submitted seven sales comparables which are summarized on page 1 of exhibit C-1. The comparables illustrated time adjusted sale prices ranging from \$70.56 to \$95.37 per square foot. The comparables ranged in size from 12,997 square feet to 44,119 square feet, with site coverages ranging from 17% to 49%.

The Complainant selected four sales which he felt were most similar to the subject property. The average time adjusted sale price of those four sales is \$79.34 per square foot and the median is \$80.37.

The Complainant asked the Board to reduce the assessment to \$90 per square foot or \$1,786,500.

POSITION OF THE RESPONDENT

The Respondent submitted five sales comparables which are summarized on page 16 of exhibit R-1, showing time adjusted sale prices ranging from \$103.98 to \$154.99 per square foot. The comparables ranged in size from 10,905 square feet to 19,402 square feet, with site coverages ranging from 23% to 56%.

The Respondent also submitted eight equity comparables which are summarized on page 22 of exhibit R-1, showing 2010 assessments ranging from \$108.47 to \$113.92 per square foot.

The Respondent pointed out that:

- the Complainant's comparable #2 was undergoing both interior and exterior renovations at the time of the sale;
- there was a leasehold interest involved in the sale of the Complainant's comparable #5;

- the Complainant's comparable #6 was a duress sale and the Respondent's evidence indicated that the property sold for less than market value.

The Respondent asked the Board to confirm the assessment at \$2,186,000.

DECISION

The Board's decision is to confirm the 2010 assessment.

REASONS FOR THE DECISION

After carefully analyzing the Complainant's comparables, the Board was not persuaded that there was sufficient evidence to alter the assessment. Of the four comparables relied on most heavily by the Complainant:

- comparable #1 was 44,119 square feet compared to the subject property which was 19,851 square feet, or more than twice the size;
- comparable #2 had a site coverage of 49% compared with the subject property's site coverage of 27%. On page 6 of exhibit C-1, it was indicated that the site configuration makes it difficult for large trucks to access the shop;
- on page 8 of exhibit C-1, it states that the purchaser of comparable #4 planned to do renovations;
- the sale price of the Complainant's comparable #5 may have been affected by a leasehold interest.

These factors caused the Board to place little weight on the Complainant's comparables.

The Board is persuaded, based on the evidence and argument, that the 2010 assessment at \$2,186,000 is fair and equitable.

DISSENTING OPINION AND REASONS

There were no dissenting opinions.

Dated this 18th day of November, 2010, at the City of Edmonton, in the Province of Alberta.

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, R.S.A. 2000, c.M-26.

cc: Municipal Government Board
99 Street Enterprises Ltd.
William A. C. Rowe