



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 572/10

Altus Group Ltd
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 16, 2010, respecting a complaint for:

Roll Number 10185886	Municipal Address Null	Legal Description Plan: 0940909 Unit: 3
Assessed Value \$372,000	Assessment Type Annual - Revised	Assessment Notice for 2010

Before:

Steven Kashuba, Presiding Officer
Jim Wall, Board Member
Jasbeer Singh, Board Member

Board Officer: Annet N. Adetunji

Persons Appearing: Complainant

Chris Buchanan, Altus Group Ltd

Persons Appearing: Respondent

Suzanne Magdiak, Assessor, City of Edmonton

PRELIMINARY MATTERS

1. 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.
2. In addition to the evidence presented by both parties in defence of their respective positions on this appeal, it should also be noted that both parties agreed that Roll Number 10185884 should be considered as the lead file for this appeal and evidence and argument contained therein be used in this appeal.

BACKGROUND

The subject property, located in the Roper Industrial subdivision, Plan: 0940909 Unit: 3, is a condominium warehouse unit constructed in 2008. The subject property, being a unit within a larger complex, consists of 1,755 square feet. The assessment is \$211.96 per square foot for a total of \$372,000.

ISSUE

Equity comparables indicate that the subject property is over-assessed.

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.*

COMPLAINANT'S POSITION

It is the position of the Complainant that the subject property is over-assessed when comparing the assessment of the subject property with that of similar properties within the same complex. In this regard, the Complainant presented three equity comparables in the same complex.

RESPONDENT'S POSITION

It is the position of the Respondent that the subject property is assessed equitably with other units in the same complex. Where exceptions are made, these are presented in R1, page 24 and do impact units 1, 2, 8, and 9 and have to do with the adjustments made for units that are not demised and/or have an allocation of office space.

As well, the Respondent pointed out that units within the complex which reflect a slightly smaller floor area do reflect an inverse relationship to assessment per square foot (R1, page 24).

DECISION

The Board confirms the 2010 assessment of the subject property at \$372,000.

REASONS FOR THE DECISION

As regards the Complainant's equity comparables, the Board notes that other than the equity comparables within the same complex, no other equity comparables were presented.

In addressing the question of equity comparables, the Board notes that the equity comparables presented by the Respondent indicating a range of \$171.83 to \$211.97 per square foot is narrowed substantially to \$202.26 per square foot to 211.97 per square foot when dissimilar units (units 1, 2, 8, and 9) or those units which are not demised are excluded.

In the final analysis, this range in values can be explained by taking into account the floor area of each unit. Both parties were in agreement that the relationship between the value per square foot in a small unit has an inverse relationship to the value per square foot within a larger unit. In other words, the assessment per square foot in a smaller unit exceeds that of the assessment per square foot in a larger unit when one takes into account the concept of *economy of size*.

Additionally, neither party addressed the question of the escalation in value as a result of this property being an end unit or, conversely, an interior unit.

It is for these reasons that the Board concludes that the current assessment is fair, correct and equitable.

Dated this 16th 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

Coin's Car & Truck Wash (2007) Inc.