



ASSESSMENT REVIEW BOARD

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10019 103 Avenue
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NOTICE OF DECISION NO. 0098 600/11

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 December 12, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
3024585	9530 49 Avenue	Plan: 8421720 Block: 3 Lot: 18	\$615,000	Annual New	2011
3024593	9520 49 Avenue	Plan: 8421720 Block: 3 Lot: 19	\$610,500	Annual New	2011

Before:

Don Marchand, Presiding Officer
Brian Hetherington, Board Member
Howard Worrell, Board Member

Board Officer:

Annet Adetunji

Persons Appearing on behalf of Complainant:

Jordan Thachuk, Altus Group

Persons Appearing on behalf of Respondent:

Darren Nagy, Assessor, City of Edmonton

PRELIMINARY MATTERS

These roll numbers were part of a series of roll numbers heard by the CARB over three days starting December 12, 2011 and concluding December 14, 2011. Both Parties at the onset of the hearings made an oath to tell the truth. This was subsequently confirmed at each day's hearing by each party. Further, no objection was raised as to the composition of the CARB panel. In addition, the Board members indicated no bias with respect to this file.

No preliminary matters were raised by the Parties. At the outset of the hearing the CARB was advised by the Complainant that the only common issue that applies to the subject complaint is the one itemized as:

4. the assessment of the subject property is in excess of its market value for assessment purposes

and that the remaining common issues itemized as numbers 1-3 and 5- 8 shown on the SCHEDULE OF ISSUES (C-1, pg 3) page will not be argued.

BACKGROUND

- The subject properties are “undeveloped land” located in the Papachase Industrial subdivision of the City of Edmonton.
- Each site contains 32,615 square feet or .749 acres with an IB industrial zoning.
- A revised 2011 assessment was presented on both properties by the Respondent but subsequently refused by the Complainant.
- The Parties provided sales data within the period of March, 2006 to February, 2010 that were time adjusted. (exhibits C-1, page 10, R-1, pg 19).
- The City of Edmonton time adjustment sales chart was used by both parties to establish a TASP and there was no dispute on this issue from either party.
- The Direct Sales Comparison Approach is the valuation approach used by the Parties to argue against and support of the assessment.
- The evidence provided to the CARB is identical for both roll numbers.

The above background and property description facts were all agreed to by the Parties.

ISSUE(S)

Is the 2011 assessment of \$615,000 for the subject property at 9530 - 49 Avenue correct?

Is the 2011 assessment of \$610,500 for the subject property at 9520 - 49 Avenue correct?

LEGISLATION

Municipal Government Act, RSA 2000, c M-26

1 *In this Act,*

(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;*

2 289(2) *Each assessment must reflect*

- (a) the characteristics and physical condition of the property on December 31 of the year prior to the year in which a tax is imposed under Part 10 in respect of the property, and
- (b) the valuation and other standards set out in the regulations for that property.

3 s 467(1) An assessment review board may, with respect to any matter referred to in section

- (b) the procedures set out in the regulations, and
- (c) the assessments of similar property or businesses in the same municipality.

4 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.

5 s 460(5), make a change to an assessment roll or tax roll or decide that no change is required.

Matters Relating to Assessment and Taxation Regulation (AR 220/2004)

2. An assessment of property based on market value

- (a) must be prepared using mass appraisal,
- (b) must be an estimate of the value of the fee simple estate in the property, and

(c) must reflect typical market conditions for properties similar to that property

POSITION OF THE COMPLAINANT

The Complainant provided the Board with a chart of 10 sales comparables, which he said were of similar sizes and zoning. He said that these sales comparables supported his request for a reduction in the assessment to \$456,500.

Comp	Address	Sale Date	Sale Price	Price/sq. ft.	Site Area	TASP	TASP per SF
1	1603 91 St.	Feb 2010	\$768,750	\$14.33	53,637	\$768,750	\$14.33
2	4903 55 Ave	Aug 2009	\$1,400,000	\$16.50	84,865	\$1,400,000	\$16.50
3	4715 55 Ave	Feb 2008	\$1,411,000	\$17.00	82,989	\$1,250,569	\$15.07
4	9704 32 Ave	Feb 2008	\$1,260,000	\$20.30	62,078	\$1,116,738	\$17.19
5	4803 55 Ave	Feb 2008	\$1,365,000	\$16.11	84,733	\$1,209,800	\$14.28
6	5406 36 St	Jun 2007	\$598,500	\$11.98	49,952	\$720,355	\$11.42
7	5344 36 St.	Mar 2007	\$483,300	\$9.69	49,941	\$653,130	\$13.08
8	5410 68 Ave	Dec 2006	\$420,000	\$7.09	59,226	\$635,964	\$10.74
9	4408 51 Ave	Aug 2006	\$391,500	\$6.20	63,165	\$690,841	\$10.94
10	2404 Ellwood Dr.	May 2006	\$490,000	\$7.51	65,274	\$969,808	\$14.86
					Requested Rate		\$14.00
Subj.	9520 49 Ave				32,615	\$456,500	

In response to a Board question, the Complainant said that sales #6 and 7, although further away from the subject property, were the best comparables.

POSITION OF THE RESPONDENT

The Respondent presented a chart of four comparables to the subject property and told the Board that the City had offered to reduce the assessment of each of the subject properties to \$510,000 and asked the Board to accept the recommendation. The Respondent's comparables chart is shown below:

Comp	Address	Sale Date	Sale Price	Price/sq. ft.	Site Area	TASP	TASP per SF
1	6408 72 A Ave	July 2007	\$965,000	\$13.43	71,858	\$1,117,953	\$15.56
2	4420 94 St.	Mar 2006	\$325,000	\$57.31	44,475	\$6904,395	\$15.61
3	4204 69 Ave	Aug 2008	\$1,200,000	\$16.16	74,270	\$1,143,480	\$15.40
4	4804 55 Ave	Feb 2008	\$1,411,000	\$17.00	82,982	\$1,250,569	\$15.07
Subj.	9530 49 Ave				32,626	\$510,000	
Revised Assessment rate							\$15.48

Responding to a question from the Board regarding the most appropriate comparison to the subject property, the Respondent said that it had been difficult to locate direct comparisons, but that his #2 was the best comparison.

FINDINGS

- The subjects, lot 18 and lot 19 are adjoining lots. The assessment detail sheets indicate their size at 32,615 square feet each, and they are considered to be similar. Each of the parties provided the same chart of comparables for each roll number under complaint.
- The Respondent has revised the subject's assessment rate of \$18.85 per square foot to a recommended revised rate of \$15.48 per square foot for each parcel.
- Each parcel has \$5,000.00 of yard fencing.
- The CARB gives most weight to the Respondent's sales comparable #2 with an indicated rate of \$15.61.
- All the comparables provided by the Complainant have parcel sizes twice to three times the subject's size, and as such an upward adjustment is placed on each of their indicated rates.

REASONS FOR THE DECISION

The CARB gave consideration to both parties' comparables and gave most weight to the most comparable property sold at \$15.61 per square foot. The identified factors of location, size, and land use were considered.

The CARB is not persuaded to reduce the assessment to the requested \$14.00 per square foot when the most comparable property sold at \$15.61 per square foot.

The CARB accepts the recommended revised assessment rate of \$15.48 per square foot for Lot 18 and Lot 19 as being reasonable based on the comparables provided to the CARB.

DECISION

The assessment of roll number is 3024585 **revised to \$510,000** and roll number is 3024593 **revised to \$510,000.**

Dated this 5th day of January, 2012, at the City of Edmonton, in the Province of Alberta.

D. H. Marchand, 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: Fifty-First Avenue Investments Inc