



ASSESSMENT REVIEW BOARD

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NOTICE OF DECISION NO. 0098 620/11

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 13, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
8479875	4704 101 Street	Plan: 7621629 Block: 1 Lot: 19	\$428,000	Annual New	2011

Before:

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

Board Officer: Karin Lauderdale

Persons Appearing on behalf of Complainant:

Jordan Thachuk, Altus Group

Persons Appearing on behalf of Respondent:

Darren Nagy, Assessor, City of Edmonton
Deanne Bannerman, Assessor, City of Edmonton, observing

PRELIMINARY MATTERS

This roll number was 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 outset 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 following issue applies to the subject complaint and is 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, 5- 8 as shown on the SCHEDULE OF ISSUES (C-1, pg 3) page will not be argued.

BACKGROUND

- The subject property is “undeveloped land” located in the Papaschase Industrial subdivision of the City of Edmonton at 4704 101 Street.
- The site contains 21,743 square feet, or .499 acres, of land with an IM industrial zoning.
- The Complainant provided sales data within the period of March 2006 to April 2010 that were time adjusted as per a table provided to the CARB (exhibits C-1, page 10).
- The Respondent provided the Board with a chart of four comparable sales, which were all completed during a period from March – October, 2007 (exhibit R-1, page 15).
- 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 above background and property description facts were all agreed to by the Parties.

ISSUE(S)

Is the 2011 assessment of the subject property at \$428,000 correct?

LEGISLATION

The CARB in its deliberations gave consideration to the:

Municipal Government Act, RSA 2000, c M-26

1(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;*

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.

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.

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 presented the Board with a 39-page brief (C-1) in support of his request for an assessment of \$307,000. The Complainant advised the CARB that his request was supported by his presentation of eight comparable sales, which had been completed between March 2006 and April 2010.

He recognized that all of his comparables were larger than the subject property, telling the Board that it was difficult to find direct comparables with the small size of the subject.

Below is the chart of comparable sales presented to the Board:

Comp	Address	Sale Date	Sale Price	Price/sq. ft.	Site Area	TASP	TASP/SF
1	6408 72 A Ave	July 2007	\$965,000	\$13.43.	71,858	\$1,117,953	\$15.56
2	150 Summerside Gate	Feb 2007	\$289,200	\$6.89	41,953	\$405,661	\$9.67
3	9518 54 Ave	Nov 2006	\$680,000	\$7.58	89,749	\$1,069,844	\$11.92
4	4408 51 Ave	Aug 2006	\$391,500	\$6.20	63,165	\$690,841	\$10.94
5	4510 51 Ave	Jul 2006	\$707,400	\$6.18	114,420	\$1,296,947	\$11.33
6	3811 78 Ave	Mar 2006	\$566,562	\$6.50	87,120	\$1,210,516	\$13.89
7	5445 97 St.	Feb 2010	\$2,202,000	\$13.64	161,459	\$2,202,000	\$13.64
8	6704 51 Ave	Apr 2010	\$175,000	\$3.72	47,078	\$176,313	\$3.75
Subj.	4704 101 St.				21,743	\$307,000	
					Requested Rate		\$14.00

POSITION OF THE RESPONDENT

The Respondent also explained to the Board that it was difficult to find sites of small land lots as comparables and presented a chart of four sales (R-1). He suggested that sales # 1 and 4 were the most comparable in both size and zoning.

	Address	Sale Date	Sale Price	Price/sq. ft.	Site Area	TASP	TASP per SF
1		Mar 2007	\$580,000	\$16.70.	34,717	\$783,000	\$22.55
2	12946 54 St	Sep 2007	\$307,000	\$25.17	12,197	\$405,661	\$27.01
3	12855 57 St	Sep 2007	\$220,000	\$27.10	8,102	\$236,082	\$29.14
4	5203 130 Ave	Oct 2007			25,003	\$732,700	\$29.30
Sub.	4704 101 St.				21,736	\$425,620	
					Assessment Rate		\$19.58

The Respondent acknowledged that his suggested sales comparison were in a different area of the city, but said they were all comparable in size and that smaller lots generated higher value per square foot.

FINDINGS

- There are no comparable undeveloped land sales for parcel in the ½ acre size range within Papaschase Industrial.
- The Respondent provided comparable sales from an equivalent industrial area, that of Kennydale. The Respondent's comparables are for parcels that range in sizes from .186 acres to .797 acres; the average size is .46 acres at an average rate of \$27.00 per square foot.
- The CARB gives most weight to the Respondent's sales at approximately 2/3 of the Kennydale's comparables indicators.
- The sales comparable provided by the Complainant at 6704 - 51 avenue is not similar to the subject as it is three times the size and has rural services. The indicated rate of \$3.75 per square foot is atypical to the Complainant's requested rate of \$14.00 per square foot.
- All the remaining comparables provided have parcel sizes twice to eight times the subject's size, and as such place upward pressure to their indicted rates.

REASONS FOR THE DECISION

The CARB gave consideration to both parties' comparables and gave most weight to those comparables that are most similar based on their significant factors. The factors for the subject are its location, size, and land use.

The CARB was not persuaded to reduce the assessment to the requested rate of \$14.00 per square foot based on the comparables presented by the Complainant as they all well outside the subject's location and were not within a reasonable size range of the subject.

The Respondent's Kennydale comparables were of parcels in a size range similar to the subject and the indicated rates were all consistently superior to the subject.

In the absence of evidence supporting the reduction requested by the Complainant the CARB will not be disturbing the assessment.

DECISION

The assessment of Roll Number 8479875 is to confirm the 2010 assessment **at \$428,000.**

Dated this 13th 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: FINNING INTERNATIONAL INC