



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 710/11 (AMENDMENT) amends 0098 516/11

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 an amendment of the 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:
8703159	6131-97 STREET NW	Plan: 6228HW Block: 5 Lot: 2	\$1,279,000	Annual New	2011

This amendment corrects the reference to 2010 assessment under the decision header to 2011 assessment.

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, Assessor, City of Edmonton

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 a medium manufacturing plant located in the Rosedale Industrial subdivision of the City of Edmonton with a municipal address of 6131-97 Street. The property has a building area of 17,318 square feet on a site area of 53,606 square feet. The land is currently zoned IM.

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 53,606 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 twelve sales of similar properties in southeast Edmonton (C-1, p.10).
- These sales averaged \$15.50 per square foot with a median of \$14.31 per square foot.
- The Complainant indicated that 11 of the 12 sales of the properties used were valued lower than the current assessment of the subject property.
- Based on these sales comparables the Complainant requests a revised assessment for the land portion of the subject property of \$14.50 per square foot for a total requested revised assessment of \$1,051,500 for the subject property (C-1, p. 10).

POSITION OF THE RESPONDENT

- In support of its position that the current assessment of the subject was fair and equitable, the Respondent presented to the Board 4 sales of land comparable to the subject (R-1, p. 28). The first comparable was located on 97 Street, similar to the subject. The sizes of the comparables ranged from .99 acres to 2.35 acres in comparison to the 1.231 acres size of the subject.
- The Respondent also submitted to the Board that, even disregarding comparable #3, the time adjusted sale price per square foot of the comparables ranged from \$18.31 to \$24.55. With respect to comparable #2, the Respondent indicated to the Board that this time adjusted price per square foot was higher as a result of gravel and a fence on the property. The Respondent argued that this range of values adequately supported the assessment per square foot of the subject at \$18.75 per square foot.
- The Respondent indicated to the Board that this evidence showed that the current assessment of the subject was fair and equitable and requested that the Board confirm the assessment at \$1,279,000.

DECISION

The Board's decision is to reduce the 2011 assessment to \$1,132,000 based on a land value of \$16.00 per square foot.

REASONS FOR THE DECISION

In reaching its decision, the Board considered all argument and evidence. The Board reviewed all comparable land sales provided by both the Complainant and Respondent and decided that there were 5 sales in the evidence packages that were not considered. These are

3951 78 Avenue	Post Facto
4551 55 Avenue	Post Facto
4504 53 Avenue	Post Facto
3607 78 Avenue	Outlier due to low selling price
9275 25 Avenue	Inconsistent information on selling price

Further, the Board reduced the selling price of the comparable at 3930 74 Avenue to \$19.22 as this property was graveled and fenced.

The result provided a good cross section of 10 comparable sales (between the Complainant and Respondent) which resulted in an average time adjusted selling price of \$16.00 per square foot.

The Board placed little weight on the argument by the City of Edmonton that the location on 97 Street was a major traffic artery which should command a higher price. The Board found that 97 street although being a busier north/south route is not well connected to the major east/west arteries in the southern portion of the City of Edmonton.

DISSENTING OPINION AND REASONS

There were no dissenting opinions regarding this decision.

Dated this 31st day of January, 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: Paul Kruger Estates Ltd