



ASSESSMENT REVIEW BOARD

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NOTICE OF DECISION NO. 0098 732/11

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 January 13, 2012, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
9567538	4351 68 AVENUE NW	Plan: 7621042 Block: 1 Lot: E	\$1,822,500	Annual New	2011

Before:

Don Marchand, Presiding Officer
Brian Carbol, Board Member
Mary Sheldon, Board Member

Board Officer: Karin Lauderdale

Persons Appearing on behalf of Complainant:

Walid Melhem, Altus Group

Persons Appearing on behalf of Respondent:

Marty Carpentier, Assessor, City of Edmonton
Steve Lutes, Solicitor, City of Edmonton

PRELIMINARY MATTERS

The hearing proceeded with the Respondent making an oath and with the Complainant affirming to tell the truth. 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.

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 5-9 shown on the SCHEDULE OF ISSUES (C-1, pg 3) page will not be argued.

BACKGROUND and PROPERTY DESCRIPTION

- The subject property is a small warehouse built in 2003 located at 4351 68 Avenue NW in the Pylypow Industrial Subdivision of southeast Edmonton. The building has a gross area of 8,320 sf with a site coverage of 23 %.
- Both parties provided sales data within the evaluation period that were time-adjusted.
- 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 \$1,822,500 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.*

- (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.*

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

To support his request, the Complainant presented to the Board a chart of four comparable sales, which are shown below:

Comp	Address	Sale Date	Year Built	Site Coverage	Building Size (LBA)	TASP	TASP/SF (LBA)
1	9204 41 Avenue NW	Apr 14 2010	2000	30%	11,250	\$1,982,000	\$176.18
*2	6670 53 Avenue NW	Oct 8 2009	2001	17%	11,249	\$2,433,250	\$216.31
3	9504 49 Street NW	July 19 2008	1995	17%	12,546	\$2,132,885	\$170.01
*4	7705 18 Street NW	Jan 29 2008	1993	14%	7,196	\$1,596,190	\$221.82
		2011 Assessment	Requested Assessment				
Subj.	4351 68 Avenue NW	\$1,822,500	\$1,664,000	23%	8,320		
					Requested Rate		\$200.00

*Sales in common with the Respondent.

POSITION OF THE RESPONDENT

To support his recommendation, the Respondent presented to the Board a chart of four comparable sales, which are shown below:

Comp	Address	Sale Date	Year Built	Site Coverage	Building Size (LBA)	TASP	TASP/ SF (LBA)
1	5020 72 Avenue NW	Sept 20 2007	2000	32%	5,400	\$1,274,518	\$236.02
*2	7705 18 Street NW	Jan 29 2008	1993	14%	7,196	\$1,596,190	\$221.82
*3	6670 53 Avenue NW	Oct 8 2009	2001	17%	11,249	\$2,433,250	\$216.31
4	5915 91 Street NW	July 29 2008	1981	16%	10,065	\$2,396,500	\$238.11
Subject	Address	Year Built	Site Coverage	2011 Assessment	Assessment/SF		
	4351 68 Avenue NW	2003	23%	\$1,822,500	\$219.05		

*Sales in common with the Complainant

The Respondent also included as support for the recommendation to confirm the 2011 assessment a chart of 7 equity comparables with a range of assessment per square foot from \$215.64 to \$230.07.

FINDINGS

- The Parties identified the sales of 7705 - 18 Street and 6670 - 53 Avenue with unit of comparison sale rates of \$221.82 and \$216.29 respectively as comparable sales.
- The improvements on 7705 - 18 Street were built 10 years prior to the subjects and the site coverage is at 14% compared to the subject at 23%.
- The improvements on 6670 - 53 Avenue are a 1/3 larger and the site coverage is at 17% compared to the subject at 23%.
- The equity comparables represent site coverage in the range of 17% to 26%, with improvement sizes similar to the subject. They are built within the subject's era. The units of comparable rates are within a narrow range of difference - \$215.64 to \$230.07.

REASONS FOR THE DECISION

Both parties provided sales evidence that provided support for the assessment based on a unit of comparison near the rate of \$220.00 per square foot. The subject's improvements were built in 2003, making them slightly newer than the comparables provided. The only comparable provided with a unit of comparison rate below \$200.00 per square foot is a similar size year 2000 built property with a 30% site coverage. All the other comparables support the assessment rate of \$219.05 per square foot. The CARB is not persuaded to reduce the assessment to reflect a unit of comparison rate of \$200.00.

DECISION

The assessment is confirmed at \$1,822,500.

Dated this 2nd day of February, 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: PARAGON INVESTMENTS LTD