



ASSESSMENT REVIEW BOARD

Churchill Building
10019 103 Avenue
Edmonton AB T5J 0G9
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NOTICE OF DECISION NO. 0098 767/11

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 January 23, 2012, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
3508140	20 Airport Road NW	Plan: 6466MC Block: 18B Lot: 6 - 8	\$3,588,500	Annual New	2011

Before:

Steven Kashuba, Presiding Officer
James Wall, Board Member
Petra Hagemann, Board Member

Board Officer: Tannis Lewis

Persons Appearing on behalf of Complainant:

Chris Buchanan, Senior Consultant, Altus Group

Persons Appearing on behalf of Respondent:

Melissa Zayac, Assessor, City of Edmonton
Stephen Leroux, Assessor, City of Edmonton

PRELIMINARY MATTERS

1. Upon questioning by the Presiding Officer, the parties present indicated no objection to the composition of the Board. In addition, the Board members indicated no bias with respect to this file.
2. There were no other preliminary matters.

BACKGROUND

3. The subject property is a single story, multi-bay medium warehouse with a floor area of 47,209 square feet and is located at #20 Airport Road NW in the Edmonton Municipal Airport neighborhood, northwest of the downtown core of the City. The building was constructed in 1975 and occupies 46% of the site.

ISSUE(S)

4. Is the assessment of the subject property in excess of its market value?

LEGISLATION

Municipal Government Act, RSA 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

the valuation and other standards set out in the regulations,

the procedures set out in the regulations, and

the assessments of similar property or businesses in the same municipality.

POSITION OF THE COMPLAINANT

5. The Complainant submitted to the Board that the subject property's 2011 assessment is approximately 6% higher than its market value as at July 1, 2010.
6. The Complainant provided the Board with an assessment brief (Exhibit C-1) in support of their position. The brief included five sales comparables (Exhibit C-1, page 8) which included the sale of the subject property. Indicated time-adjusted sales prices of these comparables ranged from \$60.45 to \$92.46 per square foot.

7. The sales comparables submitted were all located in the northwest quadrant of the City, the same as the subject, and ranged in floor area from 29,412 square feet to 68,815 square feet, exhibiting a site coverage ranging from 41% to 46%. The subject has a main floor area of 47,209 square feet and site coverage of 46%.
8. The sales comparables submitted by the Complainant indicate a time-adjusted sales price median of \$71.62 per square foot and a mean of \$72.25 per square foot as applied to the floor area. This compares to the subject's 2011 assessment of \$76.01 per square foot. Sales took place between January, 2008 in May, 2010 and the Complainant applied the same time-adjustments as did the City for this type of property.
9. The Complainant outlined judicial and/or tribunal decisions in support of the Complainant's right not to be assessed in excess of actual value. In addition, information was given to the Board pertaining to the *Burden of Proof* shifting to the Respondent if the Complainant provides sufficient evidence.
10. Sections of both, the *Municipal Government Act*, and *Matters Relating to Assessment and Taxation Regulation* were put forward and were expanded upon by the Complainant.
11. The Complainant suggested to the Board that sales evidence provided should be more than adequate to shift the onus to the Respondent and requested a reduction of the 2011 assessment from \$3,588,500 to \$3,375,000.

POSITION OF THE RESPONDENT

12. The Respondent provided the Board with an assessment brief (Exhibit R-1) and requested that a 42 page Law and Legislation brief from a prior merit hearing on roll number 6066518 (Exhibit R-2) be carried forward into the current hearing.
13. The assessment brief contained Mass Appraisal Methodology, and maps and photographs of the subject property. In addition, sales, equity comparables, and sales data sheets were provided.
14. The Respondent's sales comparables consisted of six improved medium industrial properties (Exhibit R-1, page 14) which indicated time-adjusted sale prices per square foot ranging from \$72.55 to \$101.65. All properties were located in the northwest quadrant of the city, the same as the subject. The Respondent's sales comparable #6 represented the sale of the subject property and was the only sale common to both parties.
15. The per square foot time adjusted sale prices of sales comparables ranged from \$72.55 to \$101.65, exhibiting a median of \$85.23 per square foot and an average of \$85.49 per square foot, both in excess of the subject property's 2011 assessment at \$76.01 per square foot. The Respondent noted that their sales comparable #6 (Exhibit R-1, page 20) represented the sale of the subject property on April 1, 2008, indicating an adjusted sale price of \$73.66 per square foot. It was confirmed that the subject property was basically in the same condition at the time of sale as at the valuation date of July 1, 2010.

16. In further support of the assessment, the Respondent provided the Board with eight equity comparables (Exhibit R-1, page 21).
17. The Respondent requested the Board confirm the subject property's 2011 assessment at \$3,588,500.

DECISION

18. **It is the decision of the Board to confirm the assessment of the subject property for 2011 at \$3,588,500.**

REASONS FOR THE DECISION

19. The Board places considerable weight upon the sales comparables presented by the Respondent and, in particular, notes that sales comparables #2 and 4 (Exhibit R-1, pages 16 and 18) are located in the same general area of the city as is the subject property. Their time-adjusted sales prices of \$94.31 per square foot and \$94.63 per square foot respectively support the subject property's assessment of \$76.01 per square foot.
20. The Board agrees that one sale does not constitute a market; however, if the sale is that of the subject property (Exhibit C-1, page 8, sale #1 and sale #6 in Exhibit R-1, page 14), it should be considered. In this regard, the Board is persuaded that no significant changes in the subject property occurred since its sale in April, 2008 and both parties accepted the time-adjusted sales price of \$73.66 per square-foot. The Board notes that this time-adjusted sales price is within 3% of the subject property's 2011 assessment of \$76.01 per square foot.
21. It is noted that the sale of the subject property is generally supported by other sales comparables provided by the Respondent (Exhibit R-1, page 14).
22. Jurisprudence has established that the onus of showing an assessment to be incorrect rests with the Complainant. The Board finds that the Complainant did not provide sufficient and compelling evidence to justify altering the 2011 assessment.

DISSENTING OPINION

23. There was no dissenting opinion.

Dated this 16th day of February, 2012, at the City of Edmonton, in the Province of Alberta.

Steven Kashuba, 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: CANADIAN CAPITAL REALTY CORPORATION
MARLOW PROPERTIES INC