



ASSESSMENT REVIEW BOARD

Churchill Building
10019 103 Avenue
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NOTICE OF DECISION NO. 0098 807/11

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 February 21, 2012, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
8872558	4813 89 STREET NW	Plan: 5057TR Block: 8 Lot: 9	\$6,813,500	Annual New	2011

Before:

Dean Sanduga, Presiding Officer
Dale Doan, Board Member
George Zaharia, Board Member

Board Officer: Segun Kaffo

Persons Appearing on behalf of Complainant:

Walid Melhem

Persons Appearing on behalf of Respondent:

Joel Schmaus, Assessor

PROCEDURAL 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.

PRELIMINARY MATTERS

[2] There were no preliminary matters.

BACKGROUND

[3] The subject property is a medium warehouse consisting of three buildings located at 4813 – 89 Street NW within the McIntyre Industrial Area neighborhood. Building 1 was built in 1977, building 2 in 1978 and building 3 in 1985. The combined size of the three buildings is approximately 77,590 square feet; the subject property has a lot size of 152,422 square feet with 45 % site coverage.

[4] The 2011 assessment of the property was \$6,813,500 using the direct sales comparison method.

ISSUE(S)

[5] Is the 2011 assessment of the subject property at \$6,813,500 fair and equitable?

LEGISLATION

[6] The *Municipal Government Act, RSA 2000, c M-26* reads:

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

[7] The Complainant presented evidence (C-1) and argument in support of its position that the subject property's assessment is neither fair nor equitable.

[8] The Complainant presented eight equity comparables (C-1, page 8) to support a requested reduction of the 2011 assessment from \$6,813,500 to \$6,168,000. The assessments of these comparables ranged from \$76.73 to \$85.06 per square foot with an average of \$79.84 and median of \$79.37 per square foot. This is in comparison to the subject property's assessment of \$87.82 per square foot.

[9] The Complainant submitted that based on the attributes of the subject including age, size location and site coverage in comparison to the equity comparables, the 2011 assessment should be reduced to \$79.50 per square foot, for a total requested assessment of \$6,168,000.

POSITION OF THE RESPONDENT

[10] The Respondent presented evidence (R-1) and argument for the Board's review and consideration in support of its position that the subject property's assessment is fair and equitable.

[11] The Respondent outlined the mass appraisal process and the factors found to influence value in the warehouse market (R-1, page 7) noting that *"Factors found to affect value in the warehouse inventory were: the location of the property, the size of the lot, the age and condition of the buildings, the total area of the main floor, developed second floor and mezzanine area"*

[12] The Respondent presented four equity comparables (R-1, page 19) with assessments ranging from \$85.06 to 95.96 per square foot all with two buildings on site and in average condition as was the subject property. These comparables were to support the 2011 assessment of the subject property.

[13] The Respondent requested the 2011 assessment be confirmed at \$6,813,500

DECISION

[14] The decision of the Board is to confirm the 2011 assessment of the subject property at \$6,813,500 as fair and equitable.

REASONS FOR THE DECISION

[15] The Board considered the evidence and argument presented by both parties. The Board placed greater weight on the equity comparables presented by the Respondent (R-1, page 19) which supported the 2011 assessment of the subject property. The equity comparables presented were similar to the subject property with respect to location, age, size, services and site coverage.

[16] The Board found that the equity comparables presented by the Complainant (C-1, page 8) were not similar to the subject property with respect to number of buildings, age or size and showed an average TASP of \$79.84, compared to the 2011 assessment of \$87.82 per square foot, and as such were given less weight in the analysis.

[17] The Board noted that the Complainant's equity comparables #3 and # 5 are similar to the subject in number of buildings and support the 2011 assessment, the Board also noted that Respondent's equity comparable # 1 is the same as Complainant's equity comparable number 3 which supports the current assessment.

[18] The Board finds that the 2011 assessment of the subject property at \$6,813,500 is fair and equitable.

DISSENTING OPINION AND REASONS

[19] There was no dissenting opinion.

Dated this 20th day of March, 2012, at the City of Edmonton, in the Province of Alberta.

Dean Sanduga, 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: 8864 48TH AVE & 4813 89TH ST (ARI) LTD