



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 812/11

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 24, 2012, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
10042949	5723 67 STREET NW	Plan: 9826066 Block: 5 Lot: 17 / Plan: 9826066 Block: 5 Lot: 18 /	\$12,611,500	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:

Marty Carpentier, Assessor
Tanya Smith, Law Branch

PROCEDURAL MATTERS

[1] The parties indicated they had no objection to the composition of the Board. In addition, the Board members indicated they had no bias on this file.

PRELIMINARY MATTERS

[2] There were no preliminary matters.

BACKGROUND

[3] The subject property is a large warehouse built in 2005 and located at 5723 - 67 Street NW within the Roper Industrial Area. The property measures approximately 125,141 square feet, and the lot size is 320,765 square feet with 39 % site coverage.

[4] The property was assessed on the direct sales comparison method, and the 2011 assessment was \$12,611,500.

ISSUE(S)

[5] Is the 2011 assessment of the subject property at \$12,611,500 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 a rebuttal (C-2), and argument for the Board's review and consideration. The Complainant submitted five sales comparables ranging from \$69.41 to \$84.55 per square foot (C-1, page 8), to support a requested reduction of the 2011 assessment from \$12,611,500 to 10,636,500 or \$85.00 per square foot.

[8] The Complainant further submitted a chart of four equity comparables with assessments ranging from \$85.84 to \$96.90 per square foot, with average assessment of \$93.05 and median of \$94.73 per square foot. He further stated that all sales and equity comparables were similar in some respects to the subject, with detailed information on pages (12-35).

[9] The Complainant informed the Board that while his equity comparables are similar in various respects to the subject, such as in site coverage, building size, age and location, he

suggested that any differences could be accounted for by making appropriate upward or downward value adjustments.

[10] The Complainant submitted to the Board that the 2011 assessment for the subject property should be based on \$94.50 per square foot which would result in an assessment of \$10,636,500.

POSITION OF THE RESPONDENT

[11] The Respondent presented evidence (R-1) and argument for the Board's review and consideration, and outlined the mass appraisal process, and the factors found to influence value in the warehouse market (R-1, pages 5-8).

[12] The Respondent presented five time adjusted sales comparables (R-1, page 12) ranging from \$113.34 to \$147.66 per square foot to support the 2011 assessment of \$100.78 per square foot.

[13] The Respondent also presented seven equity comparables (R-1, page 19), two located in west Edmonton, and five located in SE Edmonton, similar in condition, location, size, site coverage and age to support the 2011 assessment of the subject property. The equity comparables range from \$95.52 to \$109.94 per square foot.

[14] Respondent requested the 2011 assessment be confirmed at \$12,611,500.

DECISION

[15] The decision of the Board is to confirm the 2011 assessment of \$12,611,500.

REASONS FOR THE DECISION

[16] The Board in considering the evidence and argument presented by both parties is of the opinion that it is more appropriate to compare properties in the same quadrant of the City, unless the property is so unique in some respect that few comparables can be found in the quadrant.

[17] The Board placed greater weight on the sales and equity comparables presented by the Respondent which supported the 2011 assessment of the subject property. The comparables presented were similar to the subject property with respect to location, age, size, services and some in site coverage.

[18] The Board considered the Respondent's sales comparables and placed less weight on sale number 2 because of its size and mixed use. The Board noted that the Respondent's sales comparables numbers 3, 4 and 5 (R-1, page 12) are much smaller in size and if an appropriate adjustment is applied will support the current assessment.

[19] The Board found that the equity comparables presented by the Complainant (C-1, page 9) are dissimilar to the subject and as such were given less weight in the analysis.

[20] The Board further noted that equity comparable number 4, after recalculation shows a value of \$101.40 per square foot which would support the current assessment.

[21] The Board considered the Complainant's rebuttal (C-2), and was not persuaded to alter the 2011 assessment.

[22] The Board finds that the 2011 assessment of the subject property at \$12,611,500 is fair and equitable.

DISSENTING OPINION AND REASONS

[23] 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: EDM SOUTHEAST ROPER ROAD (ARI) LTD