



ASSESSMENT REVIEW BOARD

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

NOTICE OF DECISION NO. 0098 888/11

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 (Board) from a hearing held on April 4, 2012, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
3268455	10505 111 STREET NW	Plan: B4 Block: 10 Lots: 159 to 161 Inclusive	\$1,718,000	Annual New	2011

Before:

Patricia Mowbrey, Presiding Officer
Lillian Lundgren, Board Member
Ron Funnell, Board Member

Board Officer: Jodi Keil

Persons Appearing on behalf of Complainant:

Walid Melhem, Altus Group

Persons Appearing on behalf of Respondent:

Luis Delgado, Assessor, City of Edmonton
Melissa Zayac, Assessor, City of Edmonton

PRELIMINARY MATTERS

- [1] Upon questioning by the Presiding Officer, the parties indicated that they had no objection to the composition of the Board, and the Board members indicated they had no bias on the file.

BACKGROUND

- [2] The subject property is a 19,854 sq ft warehouse, located at 10505 – 111 Street NW in the Queen Mary Park industrial area of the City of Edmonton. It has a lot size of 22,497 sq ft with a site coverage of 67%, and an effective year built of 1965. The subject property's assessment per sq ft is \$86.53.

ISSUE

- [3] Is the 2011 assessment of the subject property equitable with similar properties?

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

- 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

- [4] In support of amending the assessment, the Complainant presented five equity comparables, ranging in size from 19,080 sq ft to 23,853 sq ft. These comparables had assessments ranging from \$74.73 per sq ft to \$81.98 per sq ft. The equity comparables were all located outside the downtown market area. The subject property is located inside the downtown market area. The Complainant noted that comparable #4 was in fair condition whereas the subject was in average condition.

POSITION OF THE RESPONDENT

- [5] The Respondent provided sales comparables that he argued established values for the downtown market area to support the equity comparable values and the subject assessment. Four sales comparables were presented; comparable #4 was noted to be outside the downtown market area where the subject is located.
- [6] Comparables #1, #2, and #3 were located in the downtown market area and had time-adjusted sales prices of \$114.94 per sq ft, \$100.99 per sq ft and \$117.57 per sq ft respectively, with an average sales price of \$111.17 per sq ft.
- [7] The Respondent presented eight equity comparables, all of which were located in the downtown market area. Comparables #2, #3, and #6 had upper office space similar to the subject. The Respondent stated that these comparables supported the 2011 assessment as they were similar in size, age, condition, site coverage, and had an average assessment of \$95.86 per sq ft. The Respondent explained that even though comparables #1, #4 and #7

were considerably smaller in size than the subject, and #8 had significantly higher site coverage than the subject, the assessments were indicative of the downtown market area.

DECISION

[8] The decision of the Board is to confirm the assessment of \$1,718,000.

REASONS FOR THE DECISION

[9] The Board reviewed the evidence and argument of the both the Complainant and Respondent.

[10] The Board considers the Complainant's equity comparables to be dissimilar to the subject as they are not located in the downtown market area.

[11] The Board accepts the Respondent's argument that the downtown area is a separate market area with separate values. While not conclusively in support of the value of subject property's specific assessment, the Respondent's downtown sales comparables indicate it is a separate and superior market area. Having determined that the downtown market area is separate, the Board places the most weight on the Respondent's equity comparables, all of which were located in the downtown market area.

[12] The Respondent presented eight equity comparables in the subject market area. Comparables #2, #3, and #6 have upper office space similar to the subject. The Board finds that these comparables support the subject's 2011 assessment of \$86.53 per sq ft as they are similar in size, age, condition, site coverage, and have an average assessment of \$95.86 per sq ft. The Board places less weight on comparables #1, #4 and #7 as they are considerably smaller in size than the subject, and #8 as it has a significantly higher site coverage than the subject but serve to indicate the assessments for the downtown market area.

[13] The Board finds the subject property 2011 assessment of \$1,718,000 is fair and equitable.

DISSENTING OPINION AND REASONS

[14] There was no dissenting opinion.

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

Patricia Mowbrey, 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: CAPITAL BUILDING SUPPLIES LTD