



## ASSESSMENT REVIEW BOARD

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

### NOTICE OF DECISION      0098 89/11

Tal Talibi  
11231 - 151 Street NW  
Edmonton, AB T5M 4B8

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 July 27, 2011, respecting a complaint for:

Roll Number	Municipal Address	Legal Description	Assessed Value	Assessment Type	Assessment Notice for:
1493808	11202 149 Street NW	Plan: 7015ET Block: 16 Lot: 2	\$1,834,000	Annual New	2011

#### **Before:**

Dean Sanduga, Presiding Officer  
Ron Funnell, Board Member  
Taras Luciw, Board Member

**Board Officer:** Nicole Hartman

#### **Persons Appearing on behalf of Complainant:**

Tal Talibi, Talip Talibi Prof Corp

#### **Persons Appearing on behalf of Respondent:**

Marty Carpentier, City of Edmonton, Assessor

## **PRELIMINARY MATTERS**

Upon questioning by the Presiding Officer, the parties present indicated no objection to the composition of the Board.

## **BACKGROUND**

The subject property is a 7,704 square foot industrial warehouse comprising two buildings, with building #1 constructed in 1958 and building #2 constructed in 1971. It is located in the High Park industrial area on a 1.8 acre lot with 10% site coverage.

The subject property assessment is based on a direct sales approach to value.

## **ISSUE(S)**

Is the subject assessment in excess of its market value as of the valuation date?

## **LEGISLATION**

***Municipal Government Act, R.S.A. 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**

The Complainant advised the Board, that during the past two years, the subject property had been offered for sale on the open market for \$1,550,000. Two offers were received and both were accepted for \$1,500,000. The first offer was withdrawn because the city building codes would not allow reconstruction on the south end of the south building, as it does not conform with the required set back on 112 Avenue. The subject was sold in June 2011 for the sum of \$1,500,000.

The Complainant described the subject property condition as being poor and indicated that 50% of the south building has a cistern that restricts the full use as an industrial warehouse. The Complainant further advised that no industrial adjustment was applied by the assessor.

The Complainant indicated that the 2011 assessment of a property located just west of the subject is lower than it was the previous year, whereas the assessed value of the subject property is 35% higher than the 2010 assessment.

The Complainant requested the 2011 assessment to be reduced to \$1,500,000.

### **POSITION OF THE RESPONDENT**

The Respondent provided a 2011 assessment brief (R1, 39 pages) of the subject property; the property was assessed using the industrial warehouse model. It was noted that the subject is a two building industrial property on a major corner with land size of 81,055 square feet (R1, page 10).

Building #1 faces 112 Avenue and is subject to a 1995 notice that it does not conform to the required set back from 112 Avenue (C2, page 6); the notice denies any further addition or alteration.

The Respondent stated that he had inspected the subject property. Building #1 is 4,800 square feet in size, and building #2 is 2,904 square feet in size. Both are in average condition.

Nine sales comparables (R1, page 31) were provided by the Respondent as well as four equity comparables (R1, page 39). The sales comparables range in sale price from \$243.37 to \$310.11 per sq. ft with an average of \$276.26 per sq. ft., and the four equity comparables range in assessment from \$234.01 to \$286.46 per sq. ft. with an average of \$256.01 per sq. ft. (R1, page 39). The Respondent submitted that these support the subject property assessment of \$238.06 per sq. ft.

Based on the sale comparables located near the subject in similar condition, size and site coverage, the Respondent requested confirmation of the 2011 assessment at \$1,834,000.

### **DECISION**

The decision of the Board is to reduce the 2011 assessment to \$1,500,000.

### **REASONS FOR THE DECISION**

The Board noted that the Complainant had listed the subject property for sale on the open market in 2010 and 2011 for the value of \$1,550,000. The Board was persuaded by the Complainant's attempts to sell the subject property and the sale agreements on the subject showing a purchase price of \$1,500,000 in June 2011 (C2, page 10 and page 17).

The Board accepted the Complainant's explanation of the subject condition, particularly that 50% of the south building has a cistern that restricts the full use as an industrial warehouse.

The Board found that the restriction on reconstruction of the south building due to its failure to conform to building codes has further affected the full value of the subject property (C2, page 6).

## **DISSENTING OPINION AND REASONS**

There was no dissenting opinion.

Dated this 11<sup>th</sup> day of August, 2011, at the City of Edmonton, in the Province of Alberta.

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Dean Sanduga, Presiding Officer

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*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, R.S.A. 2000, c.M-26.*

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