

## **Edmonton Composite Assessment Review Board**

**Citation: Marlene Porsche c/o CVG v The City of Edmonton, 2012 ECARB 1554**

**Assessment Roll Number:** 10172560

**Municipal Address:** 17811 116 AVENUE NW

**Assessment Year:** 2012

**Assessment Type:** Annual New

Between:

**CVG Canadian Valuation Group, Agent**

Complainant

and

**The City of Edmonton, Assessment and Taxation Branch**

Respondent

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### **DECISION OF**

**Don Marchand, Presiding Officer**

**Darryl Menzak, Board Member**

**Judy Shewchuk, Board Member**

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### **Preliminary Matters**

[1] Each of the Board members indicated that they had no bias with respect to this complaint, as well; both parties indicated that they had no objection to the composition of the panel.

[2] Each of the parties was sworn in prior to giving evidence.

### **Background**

[3] The subject property is a single-tenant office/warehouse building, located in the Edmiston Industrial area of Edmonton. The site area of the parcel is 3.471 acres. The assessment summary identifies 44,962 square feet of building space, including 4,978 square feet of office space, with a year built of 1995 and site coverage of 30%.

### **Issue(s)**

[4] Is the 2012 assessment of \$4,572,000 correct?

## **Legislation**

[5] The Board's jurisdiction is within the *Municipal Government Act, RSA 2000, c M-26* [MGA]:

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.

[6] The Board gave consideration to the requirements of an assessment, contained in the MGA:

289(2) Each assessment must reflect

a) the characteristics and physical condition of the property on December 31 of the year prior to the year in which a tax is imposed under Part 10 in respect of the property, and

b) the valuation and other standards set out in the regulations for that property.

[7] The valuation standard is set out within the *Matters Relating to Assessment and Taxation Regulation, Alta. Reg. 220/2004* [MRAT]:

s 2 An assessment of property based on market value

a) must be prepared using mass appraisal,

b) must be an estimate of the value of the fee simple estate in the property, and

c) must reflect typical market conditions for properties similar to that property

[8] Market value is defined within the MGA as

s 1(1)(n) "market value" means the amount that a property, as defined in section 284(1)(r), might be expected to realize if it is sold on the open market by a willing seller to a willing buyer;

## **Position of the Complainant**

[9] The Complainant submitted a 17-page evidence package marked exhibit C-1.

[10] The Complainant presented six sales comparables with time adjusted sale price (TASP) ranging from \$56.09 to \$96.31 per square foot. Based on his analysis the Complainant placed

most weight on comparable #3 at 11603 – 165 Street (TASP \$59.85), comparable #4 at 15404 – 121A Avenue (TASP \$90.70), comparable #5 at 164410 – 130 Avenue (TASP \$96.31), and especially comparable #1 at 11610 – 178 Street (TASP \$87.44).

[11] The Complainant's 4 comparables identified above:

Comp #	Address	Eff. Year	Site Cov.	Total Main	TASP per sq. ft.	Assmt. per sq. ft.
Subj.	17811-116 Ave	1996	30	44,962		\$101.69
1	11610-178 St	1979	25	26,200	\$87.44	
3	11603-165 St	1989/06	42	54,555	\$59.85	
4	15404-121a Ave	1981	31	50,797	\$90.70	
5	16440-130 Ave	1979	31	30,370	\$96.31	

[12] The Complainant stated that the comparable #1 at 11610 – 178 St. is similar in location, age, and site coverage to the subject. It also has a small main floor office area as does the subject and it is considered to be the best comparable to the subject.

[13] The Complainant asked the CARB to reduce the assessment from \$101.69 to \$90.00 per square foot for a total of \$4,050,000.

### **Position of the Respondent**

[14] The Respondent submitted a 31-page assessment brief marked exhibit R-1 and a 44-page law and legislation brief marked exhibit R-2.

[15] The Respondent presented nine sales comparables ranging in TASP from \$95.12 to \$143.65 per square foot. Four were situated in the northwest quadrant of the city (as is the subject) while five were situated in the southeast quadrant. All were interior lots, as is the subject.

	Address	Eff Year	Site Cov.	Total Main	Office Finish	Mezz. Finish	Total Area (incl. mezz.)	Off. %	TASP per sq ft
1	17404-111 Ave.	2005	39	65,241	25,399	9,560	74,801	53.6	\$139.31
2	10439-176 St.	1992	24	32,354	3,700		32,354	11.4	\$117.43
3	12930-148 St.	1972	34	44,101	5,880		44,101	13.3	\$95.24
4	16440-130 Ave.	1980	31	30,752	6,157		30,752	20.0	\$95.12
5	5880-56 Ave.	2000	33	30,078	7,716		30,078	25.7	\$143.65
6	9330-45 Ave.	1998	29	38,302	9,612	1,361	39,663	28.6	\$136.93
7	7603 McIntyre Rd	2001	25	40,000	4,000	2,501	42,501	16.3	\$104.12
8	8210 McIntyre Rd	1974	28	41,991	13,165		41,991	31.4	\$109.55

9	9111-41 Ave.	1992	27	24,489	4,198	4,198	28,688	34.3	\$124.36
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[16] The Respondent questioned the Complainant's comparables as some sold below market, some were non-arms length sales, and some required significant renovations. He stated that his comparables were superior to the Complainant's and asked the CARB to confirm the assessment at \$4,572,000.

### **Decision**

[17] The CARB confirms the 2012 assessment.

### **Reasons for the Decision**

[18] The Board reviewed all the evidence provided and placed most weight on the Complainant's comparable # 1 and the Respondent's comparables #2, #3, and #4. However, the Board places more weight on the Respondent's comparables as they are more similar in size to the subject. The Respondent's comparables also included the office component which was taken into consideration.

[19] Based on these four comparables, considered to best reflect the subject, the indicated range of value is between \$87.44 and \$117.43 per square foot. The assessment at \$101.69 is supported. The Complainant's best comparable is outweighed.

Heard commencing October 24, 2012.

Dated this 28<sup>th</sup> day of November, 2012, at the City of Edmonton, Alberta.

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Don Marchand, Presiding Officer

### **Appearances:**

Peter Smith, CVG  
for the Complainant

Will Osborne, Assessor  
for the Respondent

*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.*