

Edmonton Composite Assessment Review Board

Citation: John C. Manning c/o CVG v The City of Edmonton, 2012 ECARB 1840

Assessment Roll Number: 4874327

Municipal Address: 7940 YELLOWHEAD

TRAIL 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

DECISION OF

Don Marchand, Presiding Officer

Darryl Menzak, Board Member

Judy Shewchuk, Board Member

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 Yellowhead Corridor East area of Edmonton. The site area of the parcel is .833 acres. The assessment summary identifies 14,400 square feet of building space, including 1,044 square feet of office space, with a year built of 1975 and site coverage of 40%. The subject property has received a 5% allowance because of its access.

Issue(s)

[4] Is the 2012 assessment of \$1,343,000 fair and equitable?

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 22-page evidence package marked exhibit C-1 and a 9-page rebuttal package marked exhibit C-2.

[10] The Complainant stated that although the subject is located on Yellowhead and has good exposure, the access to the property is cumbersome.

[11] The Complainant presented six sales comparables with time adjusted sale prices (TASP) ranging from \$59.64 to \$98.94 per square foot. All were situated in the Yellowhead Corridor, as is the subject. The Complainant placed most weight on comparable #2 at 12225 William Short Road (TASP \$86.14) and comparable #3 at 12205 Fort Road (TASP \$59.64).

[12] The Complainant's comparables.

#	Address	Eff. Year	Site cov.	Total Main	TASP	Assmt.	TASP per sq ft	Assmt per sq. ft.
S	7940 Yellowhead	1975	40	14,400		\$1,343,000		\$93.26
1	12245 Fort Road	1966	52	24,600	\$1,980,000		\$75.55	na
2*	12225 Wm Short Rd.	1976/92	36	13,788	\$1,250,000	\$1,064,500	\$86.14	\$77.20
3*	12205-Fort Rd	1957	34	14,600	\$900,000	\$1,222,500	\$59.64	\$83.73
4	8825-126 Ave	1965	58	17,309	\$1,100,000	\$1,289,000	\$63.55	\$74.47
5	12165 Fort Rd	1958	29	7,580	\$750,000	\$802,500	\$98.94	\$105.87
6	8630-126 Ave	1979	28	13,900	\$1,150,000	\$1,409,500	\$82.73	\$101.40

[13] In rebuttal the Complainant presented the assessments of the Respondent's eight sales comparables. These ranged from \$74.06 to \$105.64 and, the Complainant argued, support his request for a reduction to \$80.00 per square foot.

[14] In summary the Complainant questioned the Respondent's sales comparables as they were situated in various north side locations while the Complainant's were all situated in the Yellowhead Corridor. The Complainant also pointed out that four of the Respondent's sales comparables had significantly larger office spaces than the subject.

[15] The Complainant asked the CARB to reduce the assessment from \$93.26 to \$80.00 per square foot for a total of \$1,152,000.

Position of the Respondent

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

[17] The Respondent stated that the subject received a -5% adjustment for the poor access to the property and a location adjustment of -10% as it is considered an interior lot.

[18] The Respondent presented eight sales comparables, all situated in either the northwest or northeast quadrants of the city. The TASP ranged from \$91.39 to \$129.78 per square foot.

[19] The Respondent's comparables:

#	Address	Eff. Year	Site cov.	Total Main	Off. Fin.	Mezz. Finish	Total Area (incl. mezz.)	Off. Fin %	TASP per sq ft	Assmt per sq ft
1	12819-144 St	1974	56	15,576	3,767		15,576	24.2	\$92.09	\$84.91
2	16440-130 Ave	1980	31	30,752	6,157		30,752	20.0	\$95.12	\$93.26
3	7750 Yellowhead	1981	35	13,721	668	1,065	14,786	12.6	\$129.78	\$105.64
4	12135 Fort Rd	1962	37	11,151		1,827	12,978	16.4	\$98.87	\$86.42
5	12823-53 St	1979	49	18,000	2,725		18,000	15.1	\$91.39	\$90.75
6	12803-56 St	1973	58	9,840	240		9,840	2.4	\$100.71	\$88.82
7	12105-120 Ave	1964	32	7,764	543		7,764	7.0	\$106.26	\$74.06
8	10805-120 St	1977	44	16,797	7,526		16,797	44.8	\$107.16	\$97.16
S	7940 Yellowhead	1975	40	14,400	1044			7.3	Assm't	\$93.26

[20] The Respondent also presented nine equity comparables, all in the Yellowhead Corridor, with assessments ranging from \$91.28 to \$106.22 per square foot. The Respondent argued that the sales and equity comparables support the assessment at \$93.26 per square foot and asked the CARB to confirm the assessment of \$1,343,000.

Decision

[21] The CARB confirms the 2012 assessment.

Reasons for the Decision

[22] The Board gives consideration to both Parties' sales comparables as well as the equity comparables. They are all within a narrow range and they bracket the assessment except for the Complainant's comparable #3 at 12205 – Fort Road. Evidence was provided showing that comparable #3 was in a fair condition at the time of sale. The Board places little weight on this comparable as an indicator of the subject's market value.

[23] The Respondent's sales comparables and their assessments support the assessed rate per square foot. The Complainant's comparable #2 at \$86.14 is given weight as support of the assessment at \$93.26 and should be grouped with the Respondent's indicators.

Heard commencing October 24, 2012.

Dated this 28th day of November, 2012, at the City of Edmonton, Alberta.

Don Marchand, Presiding Officer

Appearances:

Tom Janzen, 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.