

Edmonton Composite Assessment Review Board

Citation: 847479 Alberta Ltd v The City of Edmonton, 2013 ECARB 00046

Assessment Roll Number: 2575801
Municipal Address: 12519 126 Street NW
Assessment Year: 2013
Assessment Type: Annual New

Between:

847479 Alberta Ltd

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF
Patricia Mowbrey, Presiding Officer
James Wall, Board Member
Judy Shewchuk, Board Member

Preliminary Matters

[1] The Complainant and the Respondent stated that there was no objection to the composition of the Board. The Board stated that it had no bias with regard to the file.

Background

[2] The subject is a fully serviced, 7,438 square foot vacant lot zoned IM and situated at 12519 – 126 Street NW, Edmonton in the Hagmann Estate Industrial area. The 2013 assessment is \$188,500.

Issue(s)

[3] Does the 2013 assessment reflect a fair sale price as of July 1, 2012 based on sales of comparable properties?

Legislation

[4] The *Municipal Government Act*, RSA 2000, c M-26, reads:

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;

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

[5] The Complainant submitted disclosure evidence (exhibit C-1, 13 pages) and rebuttal evidence (exhibit C-2, 5 pages).

[6] The Complainant stated that the subject was purchased in 2007 at which time it was assessed at \$138,000. In 2008 the assessment was \$226,500 and in 2009 it was \$205,500. The Complainant stated that the residence on the property was demolished and that the 2010 assessment was \$120,000. Further the Complainant noted that the taxes in 2008 were \$1,236 and the estimated taxes for 2013 are \$3,299. The Complainant stated that the taxes have almost tripled in five years.

[7] The Complainant presented eight sales comparables (C-1, page 13), one having been removed as it was a duplication, resulting in seven comparables. The sales indicated a time adjusted sale price (TASP) average of \$13.94 and median of \$13.52 per square foot.

[8] The Complainant’s rebuttal evidence included Taxation Notices indicating that in 2007, 2008, and 2009 the property had been assessed as Single Family Residential and was subsequently changed in 2010 to Non Residential.

[9] The Complainant stated that the property which is currently for sale and which was presented by the Respondent has been on the market for a long time indicating that it is over-priced.

[10] The Complainant requested a reduction in the assessment to \$101,323 or \$13.62 per square foot.

Position of the Respondent

[11] The Respondent submitted evidence (exhibit R-1, 62 pages) including six comparable sales together with supporting documents. The sales showed time adjusted sale prices ranging from \$21.10 to \$38.03 per square foot with an average of \$29.37 and a median of \$29.19 per square foot (R-1, page 12).

[12] The Respondent included a current listing of a 4,950 square foot property with a large Quonset located in Haggmann Estate Industrial and showing an asking price of \$279,000 or \$56.36 per square foot.

[13] The Respondent also included sales verification data of the subject property showing that the subject and an adjoining property (with two houses of minor value) sold in October 2007 for \$660,000 or \$53.33 per square foot.

[14] The Respondent stated that the Complainant's comparables #1 and #5 were non-arms-length sales (R-1, pages 31-36) and therefore invalid. The Complainant's comparable #3 was located in Winterburn and does not have access to any of the services which the subject has, and also stated that the Complainant's comparables were all significantly larger than the subject.

[15] The Respondent indicated that the sales comparables presented by the Respondent were comparable to the subject in location (Haggmann Industrial and Kennedale Industrial), zoning, size, and servicing. The sales dates were close to the valuation date and had been validated.

[16] The Respondent submitted that the comparables support the 2013 assessment and asked that the Board confirm it at \$188,500.

Decision

[17] The decision of the Board is to confirm the 2013 assessment of \$188,500.

Reasons for the Decision

[18] The Board reviewed the evidence presented by the Complainant (C-1 and C-2) and the Respondent (R-1).

[19] The Board noted that the Respondent successfully challenged the reliability of the Complainant's sales comparables. The board finds that comparables #1 and #5 were non-arms-length and therefore invalid. Comparable #3 was located in the Winterburn Industrial area and lacked access to services. Comparables #2, #4, #6 and #8 were located in dissimilar areas and were substantially larger than the subject.

[20] The Board placed greater weight on the Respondent's sales comparables as they were similar in zoning and size. Comparables #3 and #4 were located in the subject area while the other four comparables were located in comparable areas to the subject.

[21] The Board was unable to consider the listing presented by the Respondent as it is not a documented sale.

Dissenting Opinion

[22] There is no dissenting opinion.

Heard commencing May 13, 2013.

Dated this 14th day of May, 2013, at the City of Edmonton, Alberta.

Patricia Mowbrey, Presiding Officer

Appearances:

Art Rutledge, 847479 Alberta Ltd
for the Complainant

Aaron Steblyk
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.