

Edmonton Composite Assessment Review Board

**Citation: COLLIERS INTERNATIONAL REALTY ADVISORS INC v The City of
Edmonton, 2013 ECARB 00920**

Assessment Roll Number: 10238312
Municipal Address: 3603 53 AVENUE NW
Assessment Year: 2013
Assessment Type: Annual New

Between:

COLLIERS INTERNATIONAL REALTY ADVISORS INC

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF
Harold Williams, Presiding Officer
Dale Doan, Board Member
Brian Heatherington, Board Member

Procedural Matters

[1] Upon questioning by the Presiding Officer, the parties before the Board indicated no objection to the Board's composition. In addition, the Board members indicated no bias with respect to the file.

Preliminary Matters

[2] There were no preliminary matters.

Background

[3] The subject property located at 3603-53 Avenue is a 9.986 acre corner parcel of vacant land situated in the southeast industrial quadrant of the city. The subject is zoned IL and has full municipal services. The 2013 assessment is \$5,087,000.

Issue(s)

[4] Is the 2013 assessment of the subject property fair and equitable when considering sales of similar properties?

Legislation

[5] 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

[6] The Complainant presented the Board with a 24-page document (C-1) in support of a request for a reduction in the assessment to \$400,00 per acre for a total assessment of \$3,994,00. The document contained details of the sales of five comparable properties of vacant industrial land in the southeast quadrant of the city.

[7] The Complainant drew the Board’s attention to the fact that the 2013 assessment is a 4.5% increase over the 2012 assessment of \$4,863,000.

[8] The Complainant also provided a previous 2012 ECARB Board decision (C-1, pages 14 to 19) that showed an assessment reduction for a similar property to the subject.

[9] In support of the argument to reduce the 2013 assessment the Complainant presented the Board with a chart of five sales comparables (C-1, page 6). The sales ranged in size from 6.18 acres to 13.10 acres, compared to the subject property’s 9.986 acres; the sale dates ranged from February 2010 to June 2011. The sale prices per acre ranged from \$300,000 to \$430,000 averaging \$387,338 per acre compared to the assessment of the subject property at \$509,413 per acre. All sale prices were actual and no time adjustments were applied.

[10] The complainant believed that these sales supported their requested reduction to \$400,000 per acre (slightly above the average of the comparables).

[11] Supporting documents for each of the five sales were included (C-1, page 9 through 13).

[12] In closing the Complainant requested the Board reduce the 2013 assessment of the subject property to \$400,000 per acre for a total assessment of \$3,994,000.

Position of the Respondent

[13] The Respondent presented the Board with a 55-page brief which included photographs, aerial views and maps of the subject property; the City's assessment detail report; a chart of four sales and seven equity comparables with third party supporting documents; an Edmonton CARB decision as well as City documents with Mass Appraisal and Law and Legislation.

[14] The Respondent provided a previous 2012 ECARB decision (R-1, pages 25 to 29) and pointed to paragraphs 16 and 25 of that decision which refers to foreclosures taking place in an area of the City from where the Complainant has taken comparables. The Respondent argued that under such circumstances some of the Complainant's comparables may not be reliable.

[15] In support of the argument to confirm the 2013 assessment the Respondent presented the Board with a chart of four land sales and seven equity comparables. (R-1, page 20).

[16] The sales comparables ranged in size from 4.60 acres to 19.99 acres, compared to the subject property's 9.99 acres; the sales dates ranged from May 2010 to April 2012. The sale prices ranged from \$300,150 to \$684,208 per acre for an average of \$499,225 per acre. The Respondent's Sale #2 was also used by the Complainant (C-1, page 6, Sale #1). The City's sales data was time adjusted.

[17] The equity comparables ranged in size from 5.387 acres to 12.36 acres. The assessments per acre ranged from \$470,605 to \$684,147 for an average of \$607,039 per acre compared to the assessment of the subject property at \$509,464 per acre.

[18] The Respondent drew the Board's attention to the fact that the Complainant's sale comparable #2 was an abandoned spur line, being a narrow elongated site that had uneven topography and that the Complainant's sale comparable #3 was a partially serviced site and as such little weight should be applied to these sales.

[19] The Respondent requested that the Board confirm the 2013 assessment of the subject at \$5,087,000.

Decision

[20] The decision of the Board is to reduce the 2013 assessment of the subject property to \$400,000 per acre or \$3,994,000.

Reasons for the Decision

[21] The board reviewed the comparable sales provided by the Complainant. These sales (particularly comparables #4, and #5) appear to be reasonably comparable particularly when considering the subject property is in an interior location with somewhat limited exposure and access. All the comparables were of industrial zoning.

[22] The board reviewed the comparable sales provided by the Respondent. These sales showed greater discrepancy from the subject property in range of size (4.60 acres to 19.99 acres) and particularly comparables #1, #3, and #4 were superior to the subject in that they showed fewer issues with respect to exposure and access.

[23] The board reviewed the assessment equity comparables provided by the Respondent but placed greatest weight on the sales comparables provided by both parties.

[24] The Board placed greatest weight on the sale common to both the Complainant and the Respondent; the Complainant's comparable #1 and the Respondent's comparable #2. This common sale has a time adjusted sale price per acre of \$403,633. Together, all the sales comparables support the Complainant's request to reduce the assessment to \$400,000 per acre.

[25] The Board also reviewed the previous 2012 ECARB 2341 decision provided by the Complainant and the previous 2012 ECARB 2234 decision provided by the Respondent.

[26] In the case of ECARB 2341 the Board did not place weight on this information as each Board decision is neither precedent setting nor binding on a subsequent Board.

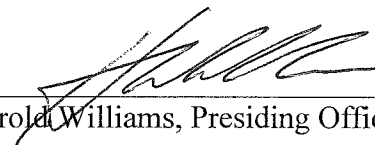
[27] In the case of ECARB 2234 the Board noted page 4, paragraph 25 as pointed to by the Respondent which referred to sales comparables from an area of the City where foreclosures took place. The Board was provided no evidence that such foreclosures would affect comparable sales and again the Board notes that regardless, previous Board decisions are not binding on a current Board.

Dissenting Opinion

[28] There was no dissenting opinion.

Heard commencing August 7, 2013.

Dated this 27th day of August 2013, at the City of Edmonton, Alberta.


Harold Williams, Presiding Officer

Appearances:

Stephen Cook, Colliers International
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.