

Edmonton Composite Assessment Review Board

Citation: Altus Group v The City of Edmonton, 2013 ECARB 01233

Assessment Roll Number: 2195279

Municipal Address: 14704 119 Avenue NW

Assessment Year: 2013

Assessment Type: Annual New

Between:

Altus Group

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF

Harold Williams, Presiding Officer

Martha Miller, Board Member

Mary Sheldon, 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 this file.

Preliminary Matters

[2] There were no preliminary matters.

Background

[3] The subject property is located in the Dominion Industrial subdivision. It is described as a medium warehouse constructed in 1965 and has a gross building area of 26,196 square feet.

Issue(s)

[4] Is the 2013 assessment of the subject property correct when considering sales of comparable 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] In support of the position that the 2013 assessment of the subject was excessive, the Complainant presented a chart of sales of five properties (Exhibit C-1, page 9) which, in the opinion of the Complainant are similar to the subject.

[7] The year of construction of the comparables ranged from 1966 to 1980 and the site coverages ranged from 24% to 34%. The age of the subject is 1965 and the site coverage is 33%. Three of the comparables have upper office space while the subject has no upper office space. The amount of main office space for the comparables ranged from 1,820 square feet to 8,302 square feet while the main office space for the subject totals 7,000 square feet.

[8] The Complainant also submitted that all the comparables are located in the north west quadrant of Edmonton on non-arterial roads, similar to the subject.

[9] The Complainant argued that comparable #1 at 14505 124 Avenue is the most similar to the subject and noted that the time adjusted sales price per square foot of leasable building area for that property is \$91.12.

[10] The Complainant stated that the market evidence of this sales chart demonstrated that the current assessment of the subject was too high and that a value per square foot of \$90 would be appropriate.

[11] The Complainant noted that when this value per square foot is applied to the area of the subject, the resulting value is \$2,176,000.

[12] The Complainant requested that the Board reduce the current assessment of the subject to \$2,176,000.

Position of the Respondent

[13] The Respondent provided a submission to the Board (Exhibit R-1, 47 pages) in support of the 2013 assessment for the subject property.

[14] The Respondent provided five sales comparables (Exhibit R-1, page 8) with three being in the same industrial group as subject property.

[15] Sales comparables #1, #3 and #5 require a downward value adjustment because they are superior to the subject property. Sales comparable #4 requires an upward adjustment as it is inferior to subject property. The submission (Exhibit R-1, pages 9-13) includes third party data sheets of the details of the sales.

[16] The effective year built of the comparables ranged from 1959 to 1972 and the site coverage ranged from 22% to 53%. The age of the subject is 1965 and the site coverage is 33%. The amount of main office space for the comparables ranged from 2,121 square feet to 10,116 square feet while the main office space for the subject totals 7,000 square feet.

[17] The Respondent also provided five equity comparables for subject property (Exhibit R-1, page 14). Comparables #4 and #5 do not require either inferior or superior adjustments and support the 2013 assessment for subject property.

[18] The Complainant's sales comparables (Exhibit C-1, page 9) #2, #3, & #5, are addressed in the Respondent's evidence (Exhibit R-1, pages 15-18). The Respondent argued that Complainant's sales comparable #2 has a building in fair condition as compared with the subject's average condition and comparable #3 has two buildings and the total area as reported differs from Complainant's submission. The Respondent indicated that Complainant's sales comparable #5 has a lease interest and is not a valid sale.

[19] In summary the Respondent stated that the time adjusted sale price per square foot of the four valid sales of the Complainant (Exhibit C-1, page 9) supports the current assessment of subject property.

[20] The Respondent requested the Board confirm the 2013 assessment for the subject property at \$2,383,000.

Decision

[21] The decision of the Board is to confirm the 2013 assessment of the subject property at \$2,383,000.

Reasons for the Decision

[22] The Board noted that there were issues with the sales comparables presented by the Complainant in terms of building condition, multiple buildings, building size discrepancies and involvement of a lease interest in a sale. In the opinion of the Board, these deficiencies make these comparables of less assistance in establishing value for the subject.

[23] The Board found that the Respondent's sales comparables were more reliable and along with some adjustments for noted differences would support the \$98.56 per square foot value used in the 2013 assessment for the subject property.

[24] The Board notes that it is the responsibility of the Complainant to present sufficient convincing evidence to question the correctness of the assessment. In the opinion of the Board, the Complainant did not meet this responsibility.

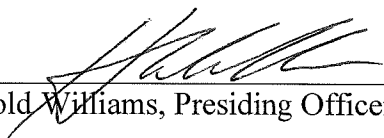
[25] Therefore the Board was satisfied that the 2013 assessment of the subject property appeared correct when considering the sales of similar properties.

Dissenting Opinion

[26] There was no dissenting opinion.

Heard on July 26, 2013

Dated this 15th day of August, 2013, at the City of Edmonton, Alberta.


Harold Williams, Presiding Officer

Appearances:

Adam Greenough
for the Complainant

Marcia Barker
Nancy Zong
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.