

Edmonton Composite Assessment Review Board

Citation: CVG v The City of Edmonton, 2013 ECARB 01344

Assessment Roll Number: 3171402
Municipal Address: 10515 107 Street NW
Assessment Year: 2013
Assessment Type: Annual New

Between:

CVG

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 is a medium multi tenant office/warehouse building located in industrial group 19 in central Edmonton. The subject was built in 1978 and contains 23,559 square feet of which 5,999 square feet is main floor finished area and 6,959 is finished mezzanine space. The site coverage is 56% and the condition is average.

Issue(s)

[4] Is the 2013 assessment of the subject correct when considering the 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 current assessment of the subject was excessive, the Complainant presented a chart of the sales of properties which, in the opinion of the Complainant, are similar to the subject.

[7] Each of the five comparables is located in the same neighborhood as the subject. The year built of the comparables ranged from 1973 to 1977 and site coverage ranged from 44% to 78%. The year built of the subject is 1978 and the site coverage is 56%. The time adjusted sale prices per square foot of the comparables ranged from \$94.78 to \$130.21 per square foot.

[8] The Complainant noted that the subject is assessed at \$114.99 per square foot and argued that a value of \$105 per square foot would be appropriate. This would result in a value of \$2,473,500.

[9] The Complainant advised that the location was not a main stream industrial area as the high site coverage would make it less accessible to traffic.

[10] The Complainant also advised that the Complainant's comparables #1, 2 and 4 are most similar to the subject. However, the Complainant noted that comparable #1 and #4 is the same property which sold twice.

[11] The Complainant requested that the Board reduce the current assessment of the subject to \$2,473,500.

Position of the Respondent

[12] The Respondent provided a submission (ExhibitR-1, 54 pages) in support of the 2013 assessment for subject property.

[13] The Respondent provided five sales comparables (R-1, page 20). Sales #1 through #4 are located in the same neighborhood as the subject. The year built of the comparables ranged from 1973 to 1989 and site coverage ranged from 44% to 79%. The year built of the subject is 1978 and the site coverage is 56%. The time adjusted sale prices of the comparables ranged from \$99.27 to \$130.89 per square foot.

[14] The Respondent explained that sales comparables #1 & #3 are the same property which had two recent sales transactions. Sales comparables #1 and #4 are common with the Complainant (C-1, page 1). The Respondent provided evidence that sales comparable #2 of the Complainant (C-1, page 1) is not an arm's length transaction and therefore not a valid sale.

[15] During questioning of the Complainant, the Respondent pointed out that the transaction for comparable #2 was between related parties.

[16] The Respondent indicated that the location of the subject is in the most desirable area for medium warehouse properties.

[17] In summary the Respondent stated both parties have four sales in common. There is a narrow market range for the subject property and it is within the range.

[18] The Respondent requested the Board confirm the 2013 Assessment for subject property \$2,709,000.

Decision

[19] The decision of the Board is to confirm the 2013 assessment of the subject at \$2,709,000

Reasons for the Decision

[20] The Board notes that comparables #3, #4 and #5 presented by the Complainant support the assessment of the subject. Comparable #1 is the same property as comparable #4 and sold as comparable #4 for a value which supports the assessment. The Board notes the evidence of the Respondent that the comparable #2 presented by the Complainant is not a valid sale as it involved a change in company name only.

[21] The Board notes the five comparable sales presented by the Respondent. Four of these comparables are common with the comparables presented by the Complainant and three of these four support the assessment. Both the Complainant and the Respondent presented the same comparable #1 which seems to support a reduction in value. However, that property sold subsequently (as Complainant comparable #4 and Respondent comparable #3) at a price that supports the assessment.

[22] The Board notes that it is the responsibility of the Complainant to provide sufficiently convincing evidence to bring into question the correctness of the assessment. In the opinion of the Board, the Complainant did not meet this responsibility in this case.

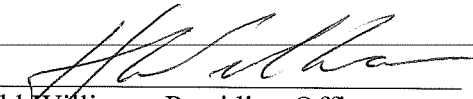
[23] Accordingly, the Board confirms the 2013 assessment of the subject at \$2,709,000.

Dissenting Opinion

[24] There was no dissenting opinion.

Heard on July 25, 2013.

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


Harold Williams, Presiding Officer

Appearances:

Tom Janzen
for the Complainant

Nancy Zong
Suzanne Magdiak
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.