

## **Edmonton Composite Assessment Review Board**

**Citation: Colliers International Realty Advisors Inc. v The City of Edmonton, 2013  
ECARB 01542**

**Assessment Roll Number:** 3190287  
**Municipal Address:** 3704 93 Street 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

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**DECISION OF**  
**Lynn Patrick, Presiding Officer**  
**Brian Carbol, Board Member**  
**Brian Frost, Board Member**

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### **Procedural Matters**

[1] Upon questioning by the Presiding Officer, the parties did not object to the composition of the Board. The Board members stated they had no bias with regard to this file.

### **Background**

[2] The subject property is a 31,505 square foot, 1980 year built medium warehouse with site coverage of 42%. The subject property is zoned IB, and is located in industrial group 18 in south Edmonton. The subject property is assessed by the direct comparison approach to value.

### **Issue**

[3] Is the assessment of the subject property correct?

### **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] In support of the request to reduce the assessment, the Complainant entered into evidence Exhibit C-1. The request to reduce the assessment is based on three sales comparables. Two of the comparables are from industrial group 18 and one is from industrial group 12. All sold in 2010. The comparables range in year of construction from 1969 to 2001; in size from 38,868 square feet to 44,887 square feet; in site coverage from 25% to 48% and in time adjusted sale price per square foot from \$85.76 to \$120.75 (Exhibit C-1, p. 10).

[6] The Complainant indicated that each of the sale comparables is located in close proximity to the subject property. It was noted that various adjustments need to be made to the sale comparables to account for total lot size, building size and year of construction in relation to the subject property.

[7] In summary, the Complainant argued that the best comparable for the subject property is the Respondent's sale #1 which is the sale of the subject property (Exhibit R-1, p. 16) for which the only adjustment made is a time adjustment to the valuation date.

[8] The Complainant argued that after accounting for each of these adjustments, a value of \$85.00/square foot is appropriate for the subject property.

[9] The total request presented by the Complainant is for a reduced assessment for the subject property to \$2,677,500.

### **Position of the Respondent**

[10] In support of the assessment the Respondent entered into evidence Exhibit R-1.

[11] The Respondent highlighted aspects of mass appraisal for the industrial inventory including the factors affecting value (Exhibit R-1, pp. 8-10).

[12] The Respondent offered a critique of the three sale comparables presented by the Complainant noting that sales #1 and #3 are superior and require a downward adjustment and sale #2 which is also the Respondent's sale #2 is inferior and requires an upward adjustment in value in relation to the subject (Exhibit R-1, p. 16).

[13] The Respondent presented four sale comparables in support of the assessment. It was noted that sale comparables #2 and #4 require upward adjustments as they are inferior to the subject and sale # 2 is superior to the subject and requires a downward adjustment.

[14] The Respondent indicated that comparable #1 was a valid sale, is the best comparable and it supports the assessment.

[15] In summary, the Respondent argued that of the seven comparables presented by the Complainant and the Respondent, only two support a reduction, while the rest support the assessment and on balance the assessment is supported by the comparables.

[16] The Respondent requests that the assessment of the subject property be confirmed at \$3,124,500.

### **Decision**

[17] The assessment of the subject property is reduced to \$2,835,500.

### **Reasons for the Decision**

[18] The Board considered the sale comparables presented by both parties.

[19] The Board noted that the common sale and three of the six other sales indicated a value lower than the assessment of the subject property.

[20] The Board noted that the three sales that were lower than the assessment of the subject required an adjustment in value but was not able to determine from the evidence presented what that adjustment should be.

[21] The Board also noted that for the sales comparables that were higher in value a downward adjustment was indicated but was not able to determine from the evidence what that adjustment should be.

[22] The Board gave some weight to the Complainant's sale comparable #1 on Parsons Road even though it was in industrial group 12 while the subject is in industrial group 18 and viewed it as comparable to the subject in terms of year built, site coverage, and building size.

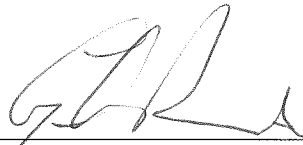
[23] The Board gave most weight to the Respondent's sale comparable # 1 (Exhibit R-1, p.16) which is the time adjusted valid sale of the subject property at \$89.97 per square foot. The only adjustment necessary is an adjustment for time to the valuation date.

[24] The Board therefore concludes that a reduction is appropriate based upon that sale even though the reference is not in the Complainant's evidence. The Board is mindful of the comments of the court in *697604 Alberta Ltd v. Calgary (City of)*, ABQB 2005 512 (697604). The court found it was an error to not rely upon such evidence, that being a recent sale of the subject.

[25] The Board, therefore, reduces the assessment of the subject property to \$90 per square foot or \$2,835,500.

Heard August 22, 2013.

Dated this 20<sup>th</sup> day of September, 2013, at the City of Edmonton, Alberta.



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Lynn Patrick, Presiding Officer

**Appearances:**

Stephen Cook, Colliers International  
for the Complainant

Joel Schmaus  
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.*