

Edmonton Composite Assessment Review Board

Citation: Altus Group v The City of Edmonton, 2013 ECARB 01659

Assessment Roll Number: 7098619

Municipal Address: 10538 82 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
Shannon Boyer, Presiding Officer
Martha Miller, Board Member
Mary Sheldon, Board Member

Procedural Matters

[1] The parties did not state any objection to the members of the Board. The Board members have no bias or conflict of interest in this matter.

Preliminary Matters

[2] There were no preliminary matters.

Background

[3] The subject is a car wash located on Whyte Avenue in the Strathcona subdivision of Edmonton. The area of the subject is 6,514 square feet. The improvements on the subject have been valued at \$205,805 pursuant to the cost approach. The land has been valued by the direct sales methodology at \$706,731 or \$108.31 per square foot. The total 2013 assessment of the subject is \$912,500.

[4] The Complainant agrees with the value of \$205,805 for the improvements, however, the Complainant requests that the value of the land be reduced to \$494,292 or \$75.75 per square foot. The resulting total value for the subject requested by the Complainant is \$700,000.

Issue(s)

[5] Is the assessment of the subject appropriate when the sales of comparable properties are considered?

Legislation

[6] **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

[7] The Complainant presented an assessment brief in support of the position that the 2013 assessment of the subject is excessive (Exhibit C-1).

[8] The Complainant agreed with the value of \$205,805 applied to the improvement portion of the subject.

[9] The Complainant did not agree with the value attributed to the land portion of the subject and produced a chart of the land sales of five properties which, in the opinion of the Complainant, are similar to the subject.

[10] The comparable sales are all in the Whyte Avenue area of Edmonton, similar to the subject, and range in size from 4,316 square feet to 41,818 square feet, while the area of the subject is 6,525 square feet. The range of time adjusted sale prices per square foot of the comparables is from \$49.18 to \$114.69, with a median of \$75.61 per square foot, an assessed value of \$108.31 per square foot and an asking value of \$75.75 per square foot.

[11] The Complainant requested that the Board reduce the value of the land portion of the subject to \$494,292, for a total assessment of \$700,000, including the value of the improvements.

[12] During questioning, the Complainant acknowledged that his sales comparable 5 is an elongated lot, much larger than the subject, and that little weight should be placed on this comparable. If that comparable were to be omitted, the Complainant agreed that the median value of the comparables would be \$92.50 per square foot.

[13] The Complainant also agreed that his sales comparable 2 is a parking lot and not on a major artery. If that comparable were removed, the median of the remaining comparables 1, 3 and 4 would be \$109.57 per square foot, and the average would be \$99.95 per square foot, for a total assessment of \$858,000.

Position of the Respondent

[14] In support of the position that the assessment of the subject is appropriate, the Respondent provided a chart of the land sales of three comparable properties on Whyte Avenue (Exhibit R-1, page 12).

[15] The Respondent acknowledged that Respondent's comparable sales 1 and 2 are the same properties as the Complainant's comparable sales 1 and 3.

[16] The range of time adjusted sale prices per square foot of all of the Respondent's comparables ranges from \$70.39 to \$114.55, with an average value of \$98.20 per square foot, a median value per square foot of \$109.66, and assessed value of \$108.31 per square foot and an asking value of \$75.75 per square foot.

[17] The Respondent advised the Board that values along the Whyte Avenue area of Edmonton are typically than \$100 per square foot.

[18] The Respondent requested that the Board confirm the 2013 assessment of the subject at \$912,500.

Decision

[19] The decision of the Board is to reduce the 2013 assessment of the subject to \$858,000.

Reasons for the Decision

[20] The Board notes that when the Complainant's comparables 2 and 5 are eliminated from the chart as being of little assistance in establishing value for the subject, the remaining three comparables presented by the Complainant have an average value per square foot of \$99.95.

[21] The Board notes of those remaining three comparables provided by the Complainant, two are in common with the comparables provided by the Respondent. In the opinion of the Board, the Respondent's remaining comparable 3 has an unusually low price per square foot and may be considered an outlier.

[22] When \$99.95 per square foot is applied to the land area of the subject, the resulting land value is \$652,173.

[23] When the agreed upon value of the improvements is added, the total value of the subject is \$858,000.

[24] To summarize, it is the Board's opinion that the comparables that are common to the Complainant and the Respondent, support the assessment of \$858,000.

Dissenting Opinion

[25] There was no dissenting opinion.

Heard on October 17, 2013.

Dated this 12th day of November, 2013, at the City of Edmonton, Alberta.



Shannon Boyer, Presiding Officer

Appearances:

Brett Flesher
for the Complainant

Tim Dueck
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.