

## **Edmonton Composite Assessment Review Board**

**Citation: John C. Manning v The City of Edmonton, 2013 ECARB 01724**

**Assessment Roll Number:** 1066364  
**Municipal Address:** 3731 98 Street NW  
**Assessment Year:** 2013  
**Assessment Type:** Annual New

Between:

**John C. Manning**

Complainant

and

**The City of Edmonton, Assessment and Taxation Branch**

Respondent

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### **DECISION OF**

**Larry Loven, Presiding Officer**

**Darryl Menzak, Board Member**

**Jasbeer Singh, Board Member**

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### **Procedural Matters**

[1] The parties indicated they had no objection to the composition of the Board. In addition, the Board members indicated they had no bias on this file.

### **Preliminary Matters**

[2] There were no preliminary matters.

### **Background**

[3] The subject property is a multi-tenant industrial warehouse located in south Edmonton on an interior lot. The building is in average condition, has an effective year built of 1981 and is approximately 15,715 square feet in size. There are 3,272 square feet of main floor office and 1,442 square feet of upper mezzanine space. The site coverage for the property is 49%.

### **Issue(s)**

[4] Is the assessment of the subject property too high when compared to other 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 evidence, Exhibit C-1 (“C-1”), and argument for the Board’s review and took the position that the subject property is assessed too high when compared to other similar properties. The Complainant stated that the building on the subject property is rather small at 17,000 square feet and sales comparables with similar high site coverage were difficult to obtain.

[7] The Complainant submitted evidence (C-1, p. 1) that contained four sales comparables that ranged in building size from 10,203 square feet to 44,994 square feet, and in site coverage from 29% to 48%. The sales comparables ranged in year built from 1975 to 1982/94 and the per square foot Time Adjusted Sale Prices (TASP) ranged from \$94.61 to \$128.43.

[8] The Complainant placed the most weight on sales comparables #2 and #3 as being most similar in physical and locational characteristics. The TASP per square foot for the two sales comparables are \$104.46 and \$114.13, respectively. Based on these sales comparables the Complainant considered a market value of \$105 per square foot to be reasonable.

[9] In conclusion, the Complainant requested the 2013 assessment of the subject property be reduced to \$1,801,500.

## **Position of the Respondent**

[10] The Respondent’s brief, Exhibit R-1 (“R-1”), contained the City of Edmonton’s 2013 Industrial Warehouse Assessment Brief. In this brief, the Respondent listed the factors affecting the value in the warehouse inventory, in declining importance, as: total main floor area, site coverage, effective age, condition, location, main floor finished area, and upper finished area.

[11] The Respondent presented five sales comparables in support of their position. Four of the five were from the same Industrial Group 18 as the subject property, while one, the

Respondent's sale #5, the same as the Complainant's #4, was from the north side of the city. The Respondent's sale #4 and the Complainant's sale #3 were in common as well.

[12] The Respondent's sales comparables' site coverages ranged from 43% to 51% and the total building area sizes from 10,203 square feet to 16,797 square feet. The effective year built for these sales comparables ranged from 1975 to 1979.

[13] The Respondent's sales comparables were shown to have per square foot TASP's ranging from \$113.31 to \$164.71, based on the total area of building.

[14] The Respondent requested the Board confirm the assessment based on the premise that an assessment can fall within a range of values and that previous Boards have not amended an assessment where a change to the assessment falls within a 5% range. Further, the Complainant has not met onus or met the burden of proof.

### **Decision**

[15] The decision of the Board is to confirm the 2013 assessment of the subject property at \$1,935,000.

### **Reasons for the Decision**

[16] The Board understands that the factors affecting value in the warehouse inventory, given in the Respondents 2013 Industrial Warehouse Brief are weighted. That is, the factors given in order from most important to least are: total main floor area (per building, site coverage, effective age (per building), condition (per building) location of the property, main floor finished area and upper floor finished area (per building).

[17] The Board examined sales comparables, #2 and #3, relied upon by the Complainant to determine the requested value of \$105 per square foot and finds as follows:

- a. Sales comparable #2 to be 43% larger, have 20% less site coverage, newer, is located in Industrial Group 20 (partially serviced area), with 55% less main floor office and no upper office, as compared to the subject property, has a per square foot TASP of \$104.13 and is indicated by the Respondent to require no adjustment.
- b. Sales comparable #3, also presented by the Respondent, to be 20% smaller, have 6% less site coverage, with 56% greater main floor office and no upper office, as compared to the subject property, has a per square foot TASP of \$114.12 and was indicated by the Respondent to require no adjustment.

[18] The Board next examined the two sales comparables presented by both parties, both identified as their sales comparable #3 and #4, respectively. The Board has examined the common sales comparable #3 in the paragraph above. Regarding the common sales comparable #4, the Board finds it is 40% smaller, has 1% less site coverage, with 50% less main floor office and no upper office, as compared to the subject property, has a per square foot TASP of \$128.43 and is indicated by the Respondent to require a downward adjustment.

[19] The Board finds the two sales comparables provided by both parties, #3 and #4, and sales comparable #2, relied upon by the Complainant, support the per square foot assessed value of the subject property at \$112.78.

[20] Based on its consideration of the above findings, the Board concludes the subject property to be fairly and equitably assessed at \$1,935,000.

**Dissenting Opinion**

[21] There was no dissenting opinion.

Heard commencing October 18, 2013.

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

  
Larry Loven, Presiding Officer

**Appearances:**

Tom Janzen  
for the Complainant

Jason Baldwin  
Scott Hyde  
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.*