

Edmonton Composite Assessment Review Board

Citation: CVG v The City of Edmonton, 2013 ECARB 01757

Assessment Roll Number: 4150371

Municipal Address: 17834 106 Avenue NW

Assessment Year: 2013

Assessment Type: Annual New

Between:

CVG

Complainant

and

The City of Edmonton, Assessment and Taxation Branch

Respondent

DECISION OF

Robert Mowbrey, Presiding Officer

Howard Worrell, Board Member

Judy Shewchuk, Board Member

Procedural Matters

[1] Upon questioning by the Presiding Officer, the parties indicated they had no objection to the composition of the Board. In addition, the members of the Board stated they had no bias in respect of this matter.

Preliminary Matters

[2] There were no preliminary matters.

Background

[3] The subject is a 22,244 square foot multi-tenant office/warehouse built in 1991. It is situated on a .999 acre site in the Wilson Industrial neighbourhood with site coverage of 40%. The subject is assessed in average condition on the direct sales comparison approach at \$2,390,000 or \$107.44 per square foot.

Issue

[4] Does the assessment reflect the market value of the subject?

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 submitted an evidence package (Exhibit C-1, 16 pages) which presented eight sales comparables. The comparables ranged in age from 1956/69 to 1981. The sizes ranged from 14,319 to 32,240 square feet and the site coverages ranged from 16% to 63%. The time-adjusted sale prices (TASP) ranged from \$61.57 to \$104.29 per square foot (Exhibit C-1 page 1).

[7] The Complainant stated that the best comparables were #2 at 14308-118 Avenue, #6 at 15635-112 Avenue, #7 at 14505-124 Avenue, and #8 14620-112 Avenue. These comparables had TASP of \$63.95, \$61.57, \$93.28, and \$66.99 per square foot respectively (Exhibit C-1, page 1).

[8] The Complainant asked that the Board reduce the 2013 assessment of \$2,390,000 to \$2,001,960.

Position of the Respondent

[9] The Respondent submitted an assessment brief (Exhibit R-1, 48 pages) which presented four sales comparables. The effective ages ranged from 1974 to 1989 and total building square footage ranged from 12,860 to 30,752 square feet. The site coverages ranged from 31% to 56%. The TASP of the comparables ranged from \$101.71 to \$127.49 per square foot for total building size (Exhibit R-1 page 21).

[10] The Respondent's comparable #2 was the same as the Complainant's #1 and the Respondent's #4 was the same as the Complainant's #4 (Exhibit R-1 page 21).

[11] The Respondent advised the Board that the Complainant's sales 2 and 8 were non-arm's length transactions, and sale 3 was an industrial condo. As such, these sales were not valid for comparison purposes.

[12] The Respondent submitted that the assessment of the subject falls within the range of the TASP of the sales comparables and asked that the Board confirm the 2013 assessment of \$107.44 per square foot or \$2,390,000.

Decision

[13] The decision of the Board is to confirm the assessment of \$2,390,000.

Reasons for the Decision

[14] The Board found that the Complainant's comparables #2 and #8 may have been non-arm's length sales and #3 was an industrial condominium. The Board found that these three properties were invalid for comparison purposes.

[15] The Complainant's comparable #5 was older and larger than the subject and had larger site coverage. Comparable #6 was older than the subject and consisted of two buildings. Comparable #7 was older and had much less finished main floor office and total upper finished area than the subject. The Board placed little weight on these comparables.

[16] The Respondent's comparable #1, although similar to the subject in age and size, had higher site coverage. Comparable #3 was older and had higher site coverage. The Board placed little weight on these comparables.

[17] The Board also placed little weight on the Complainant's comparable #4 (also the Respondent's #4) at 11660-147 Street. Although the sale was common to both parties, it was older and had higher site coverage than the subject.

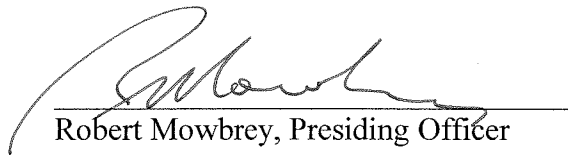
[18] The Board was left with the comparable presented by both parties. This was the property at 16440-130 Avenue which was reasonably close to the subject in age and site coverage but was larger than the subject. This comparable had a TASP of \$103.00 per square foot. The Board found that it would require an upward adjustment to be comparable to the subject and that the result of such an adjustment would support the assessment of the subject at \$107.44.

Dissenting Opinion

[19] There was no dissenting opinion.

Heard commencing October 7, 2013.

Dated this 5th day of NOVEMBER, 2013, at the City of Edmonton, Alberta.


Robert Mowbrey, Presiding Officer

Appearances:

Tom Janzen
for the Complainant

Cherie Skolney
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.