



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 110/10

CANADIAN VALUATION GROUP
1200 10665 JASPER AVENUE
EDMONTON AB T5J 3S9

THE CITY OF EDMONTON
ASSESSMENT AND TAXATION BRANCH
600 CHANCERY HALL
3 SIR WINSTON CHURCHILL SQUARE
EDMONTON, AB T5J 2C3

This is a decision of the Composite Assessment Review Board (CARB) from a hearing held on July 19, 2010 respecting an appeal on the 2010 Annual New Realty Assessment.

Roll Number 3925302	Municipal Address 16310 121A Avenue NW	Legal Description Plan 9322615 Block 3 Lot 3B
Assessed Value \$5,632,500	Assessment Type Annual New	Assessment Year 2010

Before:

Ted Sadlowski, Presiding Officer
George Zaharia, Board Member
Judy Shewchuk, Board Member

Persons Appearing: Complainant

Tom G. Janzen, Agent
Canadian Valuation Group

Persons Appearing: Respondent

Bob Thorgeirson, Supervisor
Industrial & Land Assessment
Assessment & Taxation Branch

PROCEDURAL MATTERS

Upon questioning by the Presiding Officer, the parties present indicated no objection to the composition of the Board. In addition, the Board members indicated no bias with respect to this file.

There were no preliminary issues raised by the parties and the Respondent did not have any recommendations on the file.

ISSUE(S)

The issue in this appeal is that the assessment of the subject property is too high and in excess of market value.

LEGISLATION

The Municipal Government Act, R.S.A. 2000, c. M-26;

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.

BACKGROUND

The subject property is a single tenant office/warehouse building with a total area of 59,197 square feet including 5,197 sq. ft. of office space. The subject was built in 1993, and the 2010 assessment is \$5,632,500 or \$95.15 per square foot. The site coverage is 42 percent.

POSITION OF THE COMPLAINANT

The Complainant provided six comparables (C-1, pg. 1) with the time-adjusted sale price per square foot and the 2010 assessments per square foot. The Complainant suggested that the sales comparables #3, #4, and #5 should have the most weight. The Complainant requested that the 2010 assessment be reduced to \$4,735,000 or \$80 per square foot.

POSITION OF THE RESPONDENT

The Respondent submitted a brief (R-1) that included a Direct Sales Detail Report (R-1, pg. 12), a Sales Comparison Analysis (R-1, pg. 21), and equity comparables (R-1, pg. 27).

In the Sales Comparison Analysis, five sales comparables were provided. All are in average condition and the subject is in good condition. The Respondent suggested that comparables #1 and #2 were the best comparables. There were five equity comparables provided (R-1, pg. 20). All the comparables were in average condition except for #2, which was in good condition as is the subject. All comparables are similar to the subject in site coverage, lot size, and total building area.

DECISION

The decision of the Board is to confirm the 2010 assessment at \$5,632,500.

REASONS FOR THE DECISION

The Board considered the three comparables that the Complainant placed most weight (i.e. #3, #4, #5 as per exhibit C-1, pg. 41). The mean of the time-adjusted sale price is \$78.63 per sq. ft. with the prices ranging from \$72.63 to \$90.65 per square foot. The 2010 assessments for these three comparables range from \$75.98 to \$137.96 per sq. ft. resulting in a mean of \$97.48, supporting the assessment of the subject property at \$95.15 per square foot.

The sales comparables provided by the Respondent (R-1, pg. 21) were all in average condition while the subject was in good condition. The Respondent indicated that the best comparables were #1 and #2 with site coverage of 39% compared to 42% of the subject. The average time-adjusted sale price per square foot of those two comparables is \$122.03 supporting the 2010 assessment of the subject property at \$95.15 per square foot.

The Respondent also provided equity comparables (R-1, pg. 27). Comparables #1, #2, #4, and #5 were older than the subject and #3 was newer and had an assessment of \$108 per square foot. The 2010 assessments ranged from \$81 to \$108 per square foot with a mean average of \$91. Except for comparable #2, which was in good condition like the subject, the remainder were in average condition. Considering the newer age and the better condition of the subject compared to four of the five equity comparables, the Board was persuaded that the Respondent's equity comparables supports the 2010 assessment of the subject.

Dated this twenty-third day of July, 2010 A.D. at the City of Edmonton, in the Province of Alberta.

Presiding Officer

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*, R.S.A. 2000, c.M-26.

CC: Municipal Government Board
City of Edmonton, Assessment & Taxation Branch
Linnell Taylor Assessment Strategies
Opus Prop. Corp.