



ASSESSMENT REVIEW BOARD

MAIN FLOOR CITY HALL
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NOTICE OF DECISION NO. 0098 564/10

Altus Group Ltd
17327 - 106A Avenue
Edmonton, AB T5S 1M7

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 November 15, 2010, respecting a complaint for:

Roll Number 10041985	Municipal Address 10032 119 Street NW	Legal Description Plan: 0524500 Unit: 3
Assessed Value \$549,000	Assessment Type Annual - New	Assessment Notice for 2010

Before:

Steven Kashuba, Presiding Officer
Jim Wall, Board Member
Jasbeer Singh, Board Member

Board Officer: Annet N. Adetunji

Persons Appearing: Complainant

Chris Buchanan, Altus Group Ltd

Persons Appearing: Respondent

Allison Cossey, Assessor, City of Edmonton

PRELIMINARY MATTERS

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

BACKGROUND

The subject property at 10032 119 Street NW is a retail/wholesale condominium, constructed circa 2004 and is located in the Oliver area of the City of Edmonton. The unit has a gross building area of 1,402 square feet and its current year (2010) assessment is \$391.72 per square foot or \$549,000. This property is a condominium unit in a larger high rise multi-tenant development.

ISSUES

1. The sales comparables do not support the assessment.
2. The equity comparables do not support the assessment.

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.*

COMPLAINANT'S POSITION

1. It is the position of the Complainant that the assessment of the subject property for the current year is too high and, in particular, the current assessment is 61% higher than it was in 2009 (\$581,500), C1, page 8. However, it is noted that the current assessment is \$549,000.
2. The Complainant presented 11 sales comparables (C1, page 9), 4 of which occurred in Central McDougall subdivision while 7 occurred in the Westmount subdivision. On average, the adjusted sales price of these properties is \$259.36 per square foot while the assessment of the subject is \$391.58 per square foot. Further to this, the Complainant submitted that the comparables are located along major arterials and occupy central locations on the north side of the river. In addition, they are all retail or office condominiums as is the subject property.
3. The Complainant presented 11 equity comparables (C1, page 11), which were the same properties as presented in the sales comparables in #2, above and which, on average, reflect assessment values of \$278.63 per square foot.

RESPONDENT'S POSITION

1. In support of the assessment, the Respondent presented 4 sales comparables (R1, page, 27). The effective year of construction for these sales comparables ranged from 1995 to 2005 while the year of construction for the subject property is 2004. One of the 4 comparables is located on Whyte Avenue and constitutes a refurbishment of the previous St. Joseph's Hospital and the other 3 comparables are located relatively close to the subject property. The other variables of net building size, sale date, sale amount and adjusted sale price per square foot are presented in the table. Of particular note is the

range of sales values per square foot from \$326 to \$540 while the assessment amount of the subject property is \$392 (rounded) per square foot.

2. The Respondent presented 4 equity comparables (R1, page 79), 3 of which are the same properties as used for sales comparables (see #1, above). Within this table are presented the variables of net building size, year built, and assessment amount per square foot. On average, the equity comparables are \$402 while the assessment of the subject property is set at \$392 (rounded) per square foot.
3. In further support of their position, the Respondent presented Board Orders MGB 053/10; MGB 054/10; and a decision from CARB Roll Number 10153855, July 2010.

DECISION

The Board confirms the 2010 assessment of the subject property at \$549,000.

REASONS FOR THE DECISION

1. Although the Complainant submitted that the current assessment of \$549,000 is 61% higher than it was in 2009 of \$581,500, this cannot be supported by virtue of the fact that the assessment in 2010 is actually lower than is the Complainant's representation.
2. The Board finds, based on argument presented, that the subject unit's corner location with frontage on Jasper Avenue and dual exposure, is superior to the Complainant's sales comparables (C1, page 9).
3. The Complainant indicated that he used the same time adjustment factors as used by the City; however, the Board notes some discrepancy in the time adjusted sale price of the Complainant's sales comparable #6 (C1, page 9) and the Respondent's sales comparable # 4 (R1, page 27). No evidence was provided by either party to explain this discrepancy. As a result, less weight was attached to the comparables.
4. The Complainant confirmed that no adjustments other than time had been applied to his sales comparables. The Board was persuaded that other adjustments (particularly for location) if applied, would result in an adjusted value indicated by the Complainant's sales comparables, which supports the 2010 assessment.
5. The Complainant submitted that the comparable sales used by the City included parking stalls (C1, page 5). However, only a scant mention of this was made in the oral submissions and the argument was neither pursued nor any supportive evidence provided.

A scrutiny of the Respondent's submission (R1, pages 28-78) revealed that while sales comparable #1 (R1, page 27) did include one underground parking stall, the other 3 comparables showed no indication of any parking stall(s) being included in the sales or the assessment figures. As a consequence, the Board finds that little weight can be assigned to the Complainant's position that the element of parking stalls makes any significant impact on the value of the comparables provided.

6. The Board is persuaded that the application of various adjustments to reflect differences between the equity comparables and the subject, particularly for location result in the Complainant's equity comparables (C1, page 11) supporting the \$391.72 per square foot assessment of the subject.
7. The onus of proving the incorrectness of an assessment is on the individual alleging it. The onus rests with the Complainant to provide sufficiently convincing evidence on which a change to the assessment can be based. The Complainant's evidence needs to be sufficiently compelling to allow the Board to alter the assessment (R1, page 95).
8. It is for these reasons that the Board concludes that the assessment of the subject property is fair and correct should not be disturbed.

Dated this 17th day of November, 2010, 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
Wam Carwell GP Inc.