

## **Edmonton Composite Assessment Review Board**

**Citation: Colliers International Realty Advisors Inc v The City of Edmonton, 2013 ECARB 01250**

**Assessment Roll Number:** 4071122  
**Municipal Address:** 10450 178 STREET NW  
**Assessment Year:** 2013  
**Assessment Type:** Annual New

Between:

**Colliers International Realty Advisors Inc**

Complainant

and

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

Respondent

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**DECISION OF**  
**Larry Loven, Presiding Officer**  
**James Wall, Board Member**  
**Randy Townsend, Board Member**

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### **Procedural Matters**

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

### **Background**

[2] The subject property is large warehouse, 90,902 square feet, zoned IB constructed in 1980, on 6.79 acres with 27% site coverage.

### **Issue(s)**

[3] Is the 2013 assessment of the subject property fair and equitable?

### **Legislation**

[4] ***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**

[5] The Complainant presented a 29 page brief, marked Exhibit C-1 ("C-1"), containing an assessment summary, property data, assessment and valuation and appendices.

[6] The Complainant stated the percent change in the assessment of the subject property as a 24.9% increase from 2012 to 2013, noting the 2012 assessment was reduced from \$8,871,000 to \$7,950,000 by a 2012 Board decision (C-1, pp. 18-25). The Complainant stated that a proposed a 2013 assessment for the the subject property of \$8,635,500 as the most fair and equitable.

[7] The Complainant calculated the per square foot assessment of the subject property to be \$109.23 (C-1, p. 8) and presented the Direct Comparison Approach as the relevant method of valuing the subject property.

[8] The Complainant provided a table containing four sales comparables ranging in year of construction from 1966 to 1978 net leasable area from 38% to 58% and time adjusted sale price per square foot from \$58.12 to \$87.09 compared to the subject property (C-1, p. 11).

[9] The Complainant provided a second table containing three equity comparables; two of the equity comparables were also given as sales comparables, showing assessment per square foot ranging from \$64.74 to \$79.41 (C-1, p. 11).

[10] From the sales comparables the Complainant concluded the 2013 assessment of the subject property is incorrect: and from the equity comparables, the market value is in the range of \$95.00 per square foot, resulting in a Market Value of \$8,635,500 (C-1, p. 11).

### **Position of the Respondent**

[11] The Respondent presented a 62 page document marked Exhibit R-1 ("R-1") containing a testimonial statement, complaint issues, non-residential and land briefs, pictures, profiled report, comparable sales, equity comparables, additional evidence, conclusion and law brief.

[12] On the profile report or direct sales detail report (R-1, p. 29) the Respondent noted the total area of the 90,902 square feet is comprised of total main floor area of 78,606 with 46,163 square feet of main floor office and finished mezzanine area of 12,296 square feet.

[13] The Respondent provided a table containing five sales comparables ranging in effective age from 1961 to 2007, site coverage from 28% to 39%, total main floor area from 65,241 to 118,800 square feet, upper finished area from 0 to 9,560 square feet, time adjusted sale prices for total building area from \$92 to \$152 per square foot (R-1, p. 30).

[14] The Respondent highlighted that sales #2 and #3 required an upward adjustment and sale #4 a downward adjustment, whereas all four of the Complainant's sales comparables would require an upward adjustment (R-1, p. 30).

[15] The Respondent further provided four equity comparables all located in the same Industrial Group as the subject property, effective year built ranging from 1983 to 1998, site coverage from 19% to 37%, total main floor area from 44,163 to 93,730 square feet, and assessment per square foot from \$91 to \$143. The complaint highlighted that equity comparables #1, #2 and #4 require a downward adjustment and equity comparable #3 an upward adjustment, whereas all three of the Respondent's equity comparables require an upward adjustment. (Exhibit R-1, p. 36).

### **Decision**

[16] It is the decision of the Board to confirm the 2013 assessment of the subject property at \$9,929,000.

### **Reasons for the Decision**

[17] The Board finds all of the Complainant's sales comparables have less the 50% of the main floor finished area than that of the subject property's 46,164 square feet. The Board notes that the finished main floor area, plus 12,296 square feet of upper floor finished area is over 50% of the total building area.

[18] This, combined with the Complainant's sales comparables being from 6 to 19 years older than the subject property, 11% to 31% greater site coverage, and the Complainant's comparables requiring an upward adjustments, versus the Respondent's sales comparables from 24 years older to 22 years newer than the subject property and 1% to 12% greater site coverage, more strongly support the assessment of the subject property.

[19] The Board finds the Complainant's equity comparables to have from 11% to 31% greater site coverage, from 4,000 square feet less to almost double the main floor area and less than half the main floor office space (or total finished area) compared to the subject property, supports the Respondent's indication that the Complainant's equity comparables all require an upward adjustment. Whereas, the Respondent's equity comparables have site coverage ranging from 8% less to 10% greater, and finished area from 36% to 58% less than the subject property, all except one, require some downward adjustment and tend to better support the assessment of the subject property in equity, better supporting the assessment of the subject property in equity.

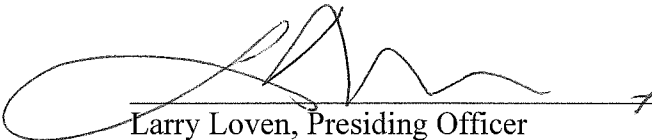
[20] The assessment of the two sales comparables also presented by the Complainant as equity comparables having time adjusted sale price per square foot of \$80.05 and \$87.09 have

assessments per square foot of \$79.41 and \$64.74, respectively, the Board finds, also in equity, supports the assessment of the subject property.

[21] Based on on its consideration of the above findings, the Board concludes that the subject property is fairly and equitably assessed at \$8,558,000.

Heard commencing August 29, 2013.

Dated this 27<sup>th</sup> day of September, 2013, at the City of Edmonton, Alberta.



Larry Loven, Presiding Officer

**Appearances:**

Stephen Cook  
for the Complainant

Marcia Barker  
Michael Johnson  
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.*