Wood Buffalo TRIBUNALS
Composite Assessment Review Board

Board Order 2026-005

IN THE MATTER OF A COMPLAINT filed with the Regional Municipality of Wood Buffalo Composite Assessment Review Board (CARB) pursuant to Part 11 of the *Municipal Government Act* being chapter M-26 of the revised statutes of Alberta 2000.

BETWEEN:

Safeway Holdings (Alberta) Ltd, as represented by MNP LLP – Property Tax Services – Complainant

- and -

Regional Municipality of Wood Buffalo (RMWB) – Respondent

BEFORE:

Members:
H. Williams, Presiding Officer
A. McKenzie, Member
S. Yasin-Mughal, Member
Staff:
A. Hawkins, Clerk

BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT

[1] A hearing was convened on August 12, 2026, in the Regional Municipality of Wood Buffalo in the Province of Alberta to consider a complaint about the assessment of the property listed in the chart below.

[2] The subject property under complaint is a commercial condominium unit within a mixed-use building that includes retail units on the main floor and apartment units above. The building was built in 2014, and the subject is a main floor interior unit with 2,530 square feet (sf) of rentable space.

[3] The assessment was based on the income approach to market value.

Assessment Roll Number	71100980
Civic Address	21 8106 Fraser Avenue Fort McMurray, Alberta
Owner	Safeway Holdings (Alberta) Ltd.
File Number	ARB 26-048

PROCEDURAL MATTERS

[4] The CARB derives its authority to make decision under Part 11 of the Municipal Government Act, R.S.A. 2000, c. M-26

[5] The parties confirmed that they had no objections to the composition of the Board.

[6] The Board confirmed it had no bias in relation to the matters.

ISSUES

Issue identified on the complaint form	Assessment Amount	Requested Value
An Assessment Amount	$544,280	$428,850

MERIT MATTERS

Position of the Complainant

[7] The Complainant provided an evidentiary document that contained a copy of the assessment detail for the subject property showing the assessment amount at $544,280. Also provided was a request to alter the assessment of the subject to reflect a rent rate of $19/sf to reflect the status of the subject as "shell space" or unfinished space.

[8] Included was a description of the subject, locational maps and photos including interior photos.

[9] Information on the City of Edmonton shell space allowance method, based on costs for interior finish and HVAC installations, was included. Information showing shell space cost adjustment was provided that concluded that the shell space allowance amount should be $113,850 based on $45/sf cost. A revised rental rate of $19/sf derived from the information used in an income proforma for the subject showed a value of $428,849.

[10] Information from court and tribunal decisions was provided including MGB decision 103/10 that noted that typical rental information is speculative where space is unfinished.

[11] Photos of the subject interior vs a fully finished interior were provided to further point out that the subject should be considered shell space.

[12] Information from space finishing contractors and HVAC contractors was included to backup the estimate of finish costs at $45/sf.

[13] The Complainant argued that the subject should be considered as shell space because it did not have complete finish as did other similar units, and when considering a rental rate for the subject, a shell space cost allowance of $45/sf should be used bringing the indicated rental rate to $19/sf for the subject or a value of $428,849.

[14] In conclusion the Complainant asked that the assessment for the subject be altered to $428,850.

Position of the Respondent

[15] The Respondent provided an evidentiary document that contained information on legislation and regulation that governs the assessment of property in Alberta, particularly the *Matters Relating to Assessment and Taxation regulation, 2018, Alta. Reg. 203/17, (*MRAT). MRAT stipulates the use of Mass Appraisal for assessments.

[16] Also included was information on the normal approaches to value for appraisal and assessment (Cost approach, Direct Sales Comparison approach, Income Approach). In the case of the subject, the income approach was used and further information about typical rent, lease types, typical expenses, typical vacancy allowances, and capitalization rates was provided.

[17] The document contained location information and photos of the subject.

[18] Information on a response to RMWB's request for information (RFI) sent in by the property owner in July 2025, showed leasable area as 2,531 sf, a subject lease start of May 1, 2023, a lease end at July 31, 2030, and a rental rate of $20 per sf.

[19] In the document, the Respondent explained that the issue of complaint for the subject centered on whether the subject was a shell space (no interior development) as of December 31, 2025 (assessment condition date for the subject assessment) and if so, the assessment should be lowered to reflect that condition.

[20] An income pro forma was provided that showed net operating income capitalized into a current value of $544,280 based on a rental rate of $23.75/sf.

[21] A pro forma for a comparable unit in the complex (Unit 9) was included that showed a value of $271,900 based on a $23.75/sf rental rate and a 1,264 sf rental area.

[22] The respondent pointed out that the information received from the property owner through the RFI process showed that the subject was leased through mid-2030 at a rate of $20/sf. The Respondent argued that although there was no full interior finish in the subject,

it is indicated that HVAC and lighting are in place and the unit is useable given the long term unit lease.

[23] The Respondent argued that the $23.75/sf rent rate used in the assessment represented typical market rates for units such as the subject and that rate was determined form the RFI information received for all similar properties including the information from the subject.

[24] The Respondent requested that the assessment for the subject be confirmed at $544,280.

Complainant Rebuttal

[25] In rebuttal, the Complainant provided a document that contained a copy of an email purportedly (names are redacted) from the subject property owner or manager, indicating that the subject was essentially a shell space and an offer was received on a further build out of the subject at $100/sf.

[26] An example photo of a shell space was included for illustration. Further photo examples were provided to illustrate the difference between fully built out space and the subject space.

[27] The Complainant argued that the email indicates the subject space is vacant and further, the Respondent has not taken into account that the subject is not fully built out and that a shell space allowance should be applied using a cost approach to value the amount needed to fully build out the interior of the subject.

[28] The Complainant argued that the shell space allowance should reflect the City of Edmonton methodology, and using the provided costing information, an allowance of $45/sf should be applied to the subject's assessment.

DECISION

[29] It is the Decision of the CARB to confirm the assessment of the subject property at $544,280.

REASON FOR DECISION

[30] The Board relied on the RFI information provided by the property owner which reports that the subject is leased until mid-2030 with a rent rate of $20/sf for that period. There is no direct indication of vacancy whereby the email provided by the Complainant in rebuttal refers to possible build-out costs only.

[31] The Board finds from the photos and information for the space, provided by both parties that the space appears useable (washroom, lighting, heating ducts). Further interior builds and changes are possible as with any other space, but the subject does not appear to be a raw shell space.

[32] The Board took note of the Complainant's information concerning the shell space calculations used to determine their rental rate request of $19/sf. The shell space calculation was based on build out data from a neighboring property that was started and completed post-facto of the valuation date. Regardless, the board gave little weight to the information because the build out amount was specific to a neighboring property and may not reflect a potential build out for the subject. Additionally, no further market data was provided to substantiate that the build-out amount is typical of what could be expected in the open market.

[33] No information was provided by either party as to whether there is a graduating applicable rent rate demonstrated by the market depending on the level of finish in a rental space.

[34] As to typical rent rates used for the subject assessment, the Board relies on the Respondent's explanation that the typical rates come from the RFI process and rates calculated from this information included the RFI information from the subject.

[35] In coming to its conclusion, the Board has reviewed the provisions of the *Municipal Government Act* ("MGA"), the *Matters Relating to Assessment Complaints Regulation* ("MRAC") and the *Matters Relating to Assessment and Taxation Regulation* ("MRAT").

[36] It is so ordered.

[37] The decision of the Composite Assessment Review Boards is final and binding on all parties. This decision may be judicially reviewed by the Court of King's Bench pursuant to Section 470(1) of the *Municipal Government Act, RSA 2000, c M-26.*

Dated at the Regional Municipality of Wood Buffalo, in the Province of Alberta, this 27th day of August, 2026.

s. 20(1) - Access to Information Act
[redacted]

H. Williams, Presiding Officer

APPENDIX A

DOCUMENTS RECEIVED AND CONSIDERED BY THE CARB

Exhibit Number	Description
C-1	ARB 26-048 Complaint Form (5 pages)
C-2	ARB 26-048 Complainant Disclosure (125 pages)
R-3	ARB 26-048 RMWB Assessment Disclosure (23 pages)
R-4	ARB 26-048 RMWB Law & Legislation Brief (58 pages)
C-5	ARB 26-048 Complainant Rebuttal (15 pages)

APPENDIX B

REPRESENTATIONS

Person Appearing	Capacity
J. Edey	MNP LLP – Property Tax Services, for the Complainant
G. Sharples	MNP LLP – Property Tax Services. for the Complainant
Q. Dong	Assessor, Regional Municipality of Woof Buffalo, for the Respondent

APPENDIX C

LEGISLATION

Municipal Government Act, R.S.A. 200, c. M-26
Matters Relating to Assessment and Taxation Regulation 2018 – AR 203/2017
Matters Relating to Assessment Complaints Regulation 2018 – AR 201/2017