



Board Order 2026-012

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:

Mike Myshak Management Ltd. as represented by Deloitte LLP – Complainant

- and -

Regional Municipality of Wood Buffalo (RMWB) – Respondent

BEFORE:

Members:

H. Williams, Presiding Officer

A. McKenzie, Member

T. Morris, Member

Staff:

A. Hawkins, Clerk

BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT

[1] A hearing was convened on September 9, 2026, in the Regional Municipality of Wood Buffalo in the Province of Alberta to consider a complaint about the assessment of the following property:

Assessment Roll Number	30603600
Civic Address	238 MacAlpine Crescent Fort McMurray, AB
Owner	Mike Myshak Management Ltd,
File Number	ARB 26-005

PROCEDURAL MATTERS

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

- [2] The parties confirmed that they had no objections to the composition of the Board
- [3] 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	\$2,013,000	\$1,835,000

MERIT MATTERS

Position of the Complainant

- [4] The Complainant provided an evidentiary document that contained a copy of the subject property assessment determined on an income approach to value as well as information on approaches to value for realty properties. Information on the assessment appeal process was provided along with a copy of a CARB decision on the 2025 assessment of the subject where the assessment was set at \$1,875,612.
- [5] Photos of the subject were provided along with a chart of rental rates and backup documents for the chart. The chart showed information on 4 properties containing 7 leases with lease rates ranging from \$18.00/sf to \$27.00/sf. A revised income proforma was included using rental rates of \$25 /square foot (sf) for lower building area, \$16.50/sf for upper area, and an applied cap rate of 8.75% resulting in a value of \$1,835,675.
- [6] A chart of the sales of 3 comparable properties was included along with back up documentation that showed a median cap rate of 10.16%. There was also comment on the potential higher investment risk in the Wood Buffalo area given past wildfire and flood events that could lead to higher property risk and therefore to higher cap rates.
- [7] The Complainant argued that the CARB in their 2025 decision had reached a reasonable conclusion in terms of rental rates and cap rate and further commented that it was disappointing for the property owner to have to challenge the subject assessment again in 2025 when no substantial circumstances had changed.
- [8] The Complainant explained that the rental rate information provided showed a median rental rate of \$25/sf for main floor space and using the municipalities estimate of 66% value for upper space would lead to a rate of \$16.50 for upper space rent versus the rental rates of \$26.50 and \$17.49 used by the Respondent.
- [9] In terms of an applied cap rate, the Complainant explained that the 3 comparable

property sales provided in evidence showed cap rates from 10.15% to 10.5% with a median at 10.16%. However, the Complainant further explained that it was difficult to get enough reliable sales and rental information to establish a cap rate and that the 8.75% rate from the CARB decision of 2024 would be reasonable and acceptable.

[10] Using rental rates of \$25/sf (main) and \$16.50 (upper) along with a cap rate of 8.75% would result in a value for the subject of \$1,835,675.43. Considering this information the Complainant requested that the Board alter the 2025 assessment of the subject to \$1,835,500.

Position of the Respondent

[11] 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.

[12] 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 were provided. The document also contained location information and photos of the subject.

[13] A subject property income approach proforma was provided showing a main floor rental rate of \$26.50/sf, an upper floor rental rate of \$17.49/sf and a cap rate of 8.5% resulting in a value of \$2,013,000.

[14] A chart of rent analysis within MacKenzie Industrial Park was provided showing three properties and rates from seven rental spaces within the properties. The average rate was \$26.93 and the median was \$28.04. An explanation of the differences in the Respondent's 2024 and 2025 lease analysis was also provided along with a chart critiquing the rental rate information provided by the Complainant.

[15] A chart of 3 sales of comparable properties was provided showing a range of cap rates from 7.79% to 8.71% with an average of 8.22% and a median of 8.16%. Backup information for the sales of the properties was also provided.

[16] A further chart of a five-year cap rate study of comparable property sales involving 5 properties was provided showing cap rates ranging from 7.79% to 8.71%

with an average of 8.3% and a median of 8.19%. Backup information for the sales was provided.

[17] Information on the assessments of 5 additional comparable properties was provided for purposes of demonstrating equity (equitable treatment) between similar properties in terms of the use of the same 8.5% cap rate for all 5 properties.

[18] An income proforma for the subject was provided showing a market value of \$2,013,000, as well as information on 3 properties with a combination of 7 leases within MacKenzie Industrial Park and comparable to the subject.

[19] The Respondent explained that the rent rates of \$26.50/sf and \$17.49/sf are derived from 3 comparable properties within MacKenzie Industrial Park containing 7 active leases. The Respondent argued that these leases represent typical market leases for the area whereas of the 7 lease rates provided by the Complainant, 1 was a condominium warehouse, 3 had smaller building areas (below 3000 sf) and since there were no lease end dates provided the leases could be month to month vs longer term typical lease arrangements.

[20] In terms of a cap rate the Respondent argued that the cap rate used within the assessment valuation was derived from market rents of comparable properties incorporating typical vacancy allowance and operating costs whereas the cap rate provided by the Complainant is based on individual lease fee information.

[21] In terms of the comments on the effect on cap rates of past wildfire and flood events in Wood Buffalo, the Respondent argued that no information was provided as to such an effect including any quantification of an effect.

DECISION

[22] **It is the Decision of the CARB to alter the 2025 assessment of the subject property to \$1,889,500.**

REASON FOR DECISION

[23] In terms of rental rates the Board reviewed the information from both parties on comparable properties and their lease rates. The Board considered the 7 lease rates provided by the Complainant, eliminating 1 lease at 380 MacKenzie Park because it represents a condominium warehouse rather than a typical single building with bay leases. Condominium warehouses operate under a different financial structure in terms of

ownership, expenses, and condo fees. The remaining 6 leases were considered along with the 7 leases provided by the Respondent.

[24] The combined 13 leases showed an average of \$25.15/sf and a median of \$25/sf. The Board determined that a main floor lease rate of \$25/sf and an upper floor lease rate of \$16.50/sf would be a reasonable indicator of market lease rates for the subject.

[25] Addressing the Respondents concerns about the Complainant's lease rates, the Board did not limit size consideration to a floor of 3000 sf so it could consider more information on overall lease rates for Wood Buffalo and did not eliminate lease information due to lack of end date information as there was no further information to show that there were no end dates.

[26] In terms of a cap rate the Board found that the 8.5% rate provided by the Respondent was more reliable because it was derived from market rents of comparable properties incorporating typical vacancy allowance and operating costs whereas the cap rate provided by the Complainant was based on individual property lease fee information.

[27] In coming to its conclusion, the Board has reviewed carefully 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").

[28] It is so ordered.

DISENTING OPINION

[29] There was no dissenting opinion.

[30] The decision of the Composite Assessment Review Boards is final and binding on all parties, subject only to appeal to the Court of Queen's Bench on a question of law or jurisdiction with respect to the decision in accordance to section 470 of the *Municipal Government Act*, R.S.A 2000, c. M-26.

Dated at the Regional Municipality of Wood Buffalo, in the Province of Alberta, this 5th day of October, 2026.

ATIA s.20(1)

H. Williams, Presiding Officer

APPENDIX A

DOCUMENTS RECEIVED AND CONSIDERED BY THE CARB

Exhibit Number	Description
C-1	ARB 26-005 Complaint Form (3 pages)
C-2	ARB 26-005 Complainant Disclosure (39 pages)
R-3	ARB 26-005 RMWB Assessment Disclosure (106 pages)
R-4	ARB 26-005 RMWB Assessment Disclosure Beta Management Inc v. Edmonton (City), 2017 ABQB 571 (33 pages)
R-5	ARB 26-005 – RMWB Assessment Disclosure Board Order 2025-007 (8 pages)
R-6	ARB 26-005 RMWB Law & Legislation Brief (58 pages)

APPENDIX B

REPRESENTATIONS

Person Appearing	Capacity
Kyle Goertzen	Agent, Deloitte LLP
Samson Ahensan	Assessor, Regional Municipality of Wood Buffalo

APPENDIX C

LEGISLATION**Municipal Government Act, RSA 2000, c M-26**

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.

Matters Relating to Assessment and Taxation Regulation 2018 – AR 203/2017

Disclosure of evidence

9(1) In this section, “complainant” includes an assessed person who is affected by a complaint who wishes to be heard at the hearing.

(2) If a complaint is to be heard by a composite assessment review board panel, the following rules apply with respect to the disclosure of evidence:

(c) the complainant must, at least 7 days before the hearing each witness, and any written argument that the complainant intends to present at the hearing in rebuttal to the disclosure made under clause (b) in sufficient detail to allow the respondent to respond to or rebut the evidence at the hearing.

Matters Relating to Assessment Complaints Regulation 2018 – AR 201/2017