



Real Property Tax Appeals Commission

IN ACCORDANCE WITH Section 47.825.1 of the District of Columbia Statutes you
Are hereby notified of your assessment for the current year **2013** as finalized by the
Real Property Tax Appeals Commission for the property described. If YOU
WISH TO APPEAL THIS ASSESSMENT FURTHER, SEE THE INFORMATION
BELOW

Date: January 24, 2013

Legal Description of Property

Square: 0154 Lot: 0829

Property address: 1731 New Hampshire Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	4,878,780	Land	4,878,780
Building	24,079,420	Building	22,148,150
Total	\$ 28,958,200	Total	\$ 27,026,930

Rationale:

The subject is a 176-room boutique hotel in DuPont Circle. Recently renovated, it is a luxury hotel that successfully combines sleek art-deco finishes with modern amenities. The Petitioner's appeal is based on the claims that the net operating income (NOI) in calendar year 2011 is much lower than the pro-forma used by the Assessor; the return on investment of FF&E used in Tax Year 2013 was lower than Tax Year 2012; and no deduction was made on capital expenditure. The Office of Tax and Revenue (OTR) argues that it has taken into account the Petitioner's concerns and adjustments have been made using updated information provided in the income and expense (I&E) statement prior to the hearing. The revised value of \$27,026,930 adequately addresses issues that warranted correction. After reviewing the evidence, the Commission finds that the Petitioner failed to show by a preponderance of the evidence that the revised value proposed by OTR for Tax Year 2013 was erroneous; therefore the Commission accepts OTR's recommendation.

COMMISSIONER SIGNATURES

May Chan

Karla Christensen

Gregory Syphax

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



Real Property Tax Appeals Commission

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Date: January 18, 2013

Legal Description of Property

Square: 0170 Lot: 0838

Property Address: 550 17th Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	22,577,380	Land	22,577,380
Building	22,410,110	Building	22,410,110
Total	\$ 44,987,490	Total	\$ 44,987,490

Rationale: Pursuant to statute, the Petitioner must demonstrate by the preponderance of the evidence that the proposed Tax Year 2013 assessment of the real property by the Office of Tax and Revenue (OTR) does not represent the estimated value of the property as of January 1, 2012, valuation date.

The subject property is a Class B office building located in the Central Business District near the National Mall and the White House and houses the FDIC. The issues presented by the Petitioner are vacancy rate and that it be applied to the parking income, expenses, capitalization rate, and capital improvements.

The Petitioner’s argument for a change in OTR’s vacancy rate was acknowledged and applied in OTR’s first level appeal. However, the Petitioner’s argument that the vacancy rate be applied to parking income was unpersuasive since parking income sources are not tracked as tenant versus non-tenant or daily revenue. The Petitioner argues that OTR reduced the expenses from the previous year, but both the Petitioner and OTR used the same figure in their analyses. The Petitioner argues that OTR’s capitalization rate is too low for a building with this much risks, meaning if the FDIC were to vacate. In this case, the Commission finds that OTR’s capitalization rate is reasonable given the building’s location and tenant stability. The Petitioner’s argues that OTR’s capital improvements allowances are too low. The Petitioner uses the total cost of projects provided by a third-party engineering firm. OTR applies a present value to these costs which is reasonable as the majority of the projects listed are likely to be spread over a future unspecified period of time.

Therefore, the Commission sustains the proposed Tax Year 2013 assessment from the first level appeal.

COMMISSIONER SIGNATURES

Karla Christensen

Gregory Syphax
FURTHER APPEAL PROCEDURES

May Chan

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Date: November 20, 2012

Legal Description of Property

Square: 0205 Lot: 0076

Property Address: 1912 14th Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	12,743,790	Land	12,743,790
Building	2,335,440	Building	721,200
Total	\$ 15,079,230	Total	\$ 13,464,990

Rationale:

Pursuant to DC Code 47-825.01a(c)(1)(B), the Stipulation Agreement entered into by the Office of Tax and Revenue and the Petitioner is accepted. The Stipulation Agreement resolves the matter of the Tax Year 2013 appeal.

COMMISSIONER SIGNATURE


Richard Amato, Esq.

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
 OFFICE OF THE CHIEF FINANCIAL OFFICER
 OFFICE OF TAX AND REVENUE
 REAL PROPERTY TAX ADMINISTRATION



RECEIVED
 OCT 15 2012
 REAL PROPERTY TAX
 APPEALS COMMISSION

RPTAC ASSESSMENT STIPULATION FORM

Square	205	Suffix		Lot (s)	76
Property Address	1912 14 th Street NW				
Petitioner	14 th & U Residential LL				

STIPULATION AGREEMENT

IT IS HEREBY AGREED BY AND BETWEEN THE PETITIONER AND THE DISTRICT OF COLUMBIA THAT IN ORDER TO EXPEDITIOUSLY SETTLE THIS MATTER, EACH PARTY AGREES TO STIPULATE TO THE ESTIMATED MARKET VALUE FOR THE SUBJECT PROPERTY FOR TAX YEAR 2013 AS FOLLOWS:

	PROPOSED ASSESSED VALUE (Assessed value after First Level)	STIPULATED ASSESSED VALUE
LAND	12,743,790	12,743,790
IMPROVEMENTS	2,335,440	721,200
TOTAL	15,079,230	13,464,990

STIPULATED PERCENTAGE CHANGE: 10.7 % STIPULATED VALUE CHANGE \$ 1,614,240

JUSTIFICATION: The subject property has had some buildings razed at about the middle of 2012 calendar year. Based on the remaining GBA at approximately 7,569 of still standing structures, a reduced total value developed by costing of \$13,464,990 will be applied for TY 2013. Additional building value adjustments will result with any additional raze done by year's end.

BY ENTERING INTO THIS STIPULATION AGREEMENT, THE PARTIES AGREE THAT UPON ACCEPTANCE BY THE PARTIES AND THE REAL PROPERTY TAX APPEALS COMMISSION'S ADOPTION OF THE PARTIES' STIPULATED ASSESSMENT, THAT VALUE SHALL BECOME THE ASSESSED VALUE AND NEITHER PARTY, ITS HEIRS, ASSIGNS OR SUCCESSORS SHALL CONTEST THIS VALUE IN FURTHER HEARINGS BEFORE THE REAL PROPERTY TAX APPEALS COMMISSION OR APPEAL SUCH VALUE TO ANY COURT.

FOR THE DISTRICT OF COLUMBIA:

APPRAISER:

Christina Jones

Date: 9/25/12

SUPERVISORY APPRAISER:

E. Davis

Date: 10/2/12

APPEALS & LITIGATION MANAGER:

RESIDENTIAL MANAGER:

Doug Collice

Date: 10/4/2012

CHIEF APPRAISER:

(Properties where value change is greater than 20% for Residential; greater than 20% or over \$4 million for Gen. Com. greater than 20% or over \$12 million for Major Commercial.)

Date: _____

DIRECTOR:

(Properties where value change is greater than 30% or over \$20 million.)

Date: _____

FOR THE PETITIONER:

OWNER/AGENT:

Steph J. M...

Date: 10/4/12

AGENT'S COMPANY NAME:

Ryn LLC



Real Property Tax Appeals Commission

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Date: January 30, 2013

Legal Description of Property

Square: 0209 Lot: 2530

Property Address: 1515 15th Street NW #C-3

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	298,260	Land	298,260
Building	725,770	Building	725,770
Total	\$ 1,024,030	Total	\$ 1,024,030

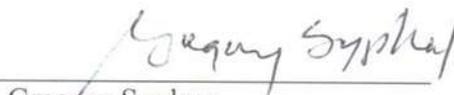
Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The subject property is a commercial condominium with approximately 19,580 sq. ft. of gross unit area and 2,719 sq. ft. of land area. The appeal was submitted on the bases of property record, equalization and classification.

The Petitioner and the Office of Tax and Revenue (OTR) agree on the value, so the Commission sustains the Tax Year 2013 assessment.

COMMISSIONER SIGNATURES


Karla Christensen


Gregory Syphax


May Chan

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



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Date: January 30, 2013

Legal Description of Property

Square: 0209 Lot: 2535

Property Address: 1515 15th Street NW #C-9

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	2,872,630	Land	2,872,620
Building	6,990,040	Building	3,146,403
Total	\$ 9,862,670	Total	\$ 6,019,023

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The subject property is a commercial condominium with approximately 19,580 sq. ft. of gross unit area and 2,719 sq. ft. of land area. The appeal was submitted on the bases of property record, equalization and classification.

The Petitioner and the Office of Tax and Revenue (OTR) presented income approaches to support their respective estimates of market value. The Petitioner also submitted an appraisal dated September 7, 2012 which is well after the effective date of valuation. The Commission reviewed both analyses and finds that the Petitioner and the OTR agree on the potential gross income (PGI). Both are based on the Petitioner's income and expense form submission. The Petitioner's estimate for expense is based on a 3% management fee which the Commission deems to be reasonable. The OTR uses expense estimate of only 1.7% of effective gross income. The Petitioner's use of a 9% capitalization rate, based on what the OTR has utilized in its assessment of other competitive facilities, is accepted by the Commission as a reasonable argument--especially in the absence of any other data which lends support to the capitalization rate used by the OTR.

Based upon the review of both analyses, the Commission has made revisions to the analysis performed by the OTR in favor to the Petitioner. The Commission thereby warrants a reduction to the proposed assessment for Tax Year 2013.

COMMISSIONER SIGNATURES

Karla Christensen

Gregory Syphax

May Chan

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



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Date: January 22, 2013

Legal Description of Property

Square: 0241 Lot: 2075

Property Address: 1529 14th Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	389,340	Land	389,340
Building	860,250	Building	646,740
Total	\$ 1,249,590	Total	\$ 1,036,080

Rationale: Pursuant to the statute, the Petitioner must demonstrate by the preponderance of the evidence that the proposed Tax Year 2013 assessment of real property does not represent the estimated value of the property as of January 1, 2012, valuation date.

The subject property consists of three commercial condos located along 14th Street NW. The main issue presented by the Petitioner is which method of valuation, cost or income, best determines market value for the subject property. The Commission reviewed the subject property's income and expense data and the other documentation submitted by the parties.

The Petitioner argues that OTR applies an arbitrary three percent (3%) increase to the sales price of \$3,950,000 which closed August 2, 2010 to determine market value. The Petitioner provides analysis utilizing the income approach to determine market value. In the Petitioner's income analysis, real estate tax reimbursements are included in revenues which overstate Potential Gross Income. Making this correction and using all other assumptions by the Petitioner results in a value less than \$350 per square foot. Prior to the hearing, OTR recommended a reduction to a combined value of \$4,185,980 or \$479 per square foot, for all three lots. OTR provides comparable commercial sales to support this recommended value which also confirms that \$350 per square foot is too low for the subject property.

The Commission finds a reduction to OTR's recommended value of \$4,185,980 is warranted.

COMMISSIONER SIGNATURES

Karla Christensen

May Chan

Gregory Syphax

FURTHER APPEAL PROCEDURES

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Date: January 22, 2013

Legal Description of Property

Square: 0241 Lot: 2076

Property Address: 1529 G Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	845,930	Land	845,930
Building	1,385,640	Building	1,535,530
Total	\$ 2,231,570	Total	\$ 2,381,460

Rationale: Pursuant to the statute, the Petitioner must demonstrate by the preponderance of the evidence that the proposed Tax Year 2013 assessment of real property does not represent the estimated value of the property as of January 1, 2012, valuation date.

The subject property consists of three commercial condos located along 14th Street NW. The main issue presented by the Petitioner is which method of valuation, cost or income, best determines market value for the subject property. The Commission reviewed the subject property's income and expense data and the other documentation submitted by the parties.

The Petitioner argues that OTR applies an arbitrary three percent (3%) increase to the sales price of \$3,950,000 which closed August 2, 2010 to determine market value. The Petitioner provides analysis utilizing the income approach to determine market value. In the Petitioner's income analysis, real estate tax reimbursements are included in revenues which overstate Potential Gross Income. Making this correction and using all other assumptions by the Petitioner results in a value less than \$350 per square foot. Prior to the hearing, OTR recommended a reduction to a combined value of \$4,185,980 or \$479 per square foot, for all three lots. OTR provides comparable commercial sales to support this recommended value which also confirms that \$350 per square foot is too low for the subject property.

The Commission finds a reduction to OTR's recommended value of \$4,185,980 is warranted.

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Gregory Syphax

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Date: January 22, 2013

Legal Description of Property

Square: 0241 Lot: 2077

Property Address: 1529 14th Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	287,640	Land	287,640
Building	624,920	Building	477,800
Total	\$ 912,560	Total	\$ 765,440

Rationale: Pursuant to the statute, the Petitioner must demonstrate by the preponderance of the evidence that the proposed Tax Year 2013 assessment of real property does not represent the estimated value of the property as of January 1, 2012, valuation date.

The subject property consists of three commercial condos located along 14th Street NW. The main issue presented by the Petitioner is which method of valuation, cost or income, best determines market value for the subject property. The Commission reviewed the subject property's income and expense data and the other documentation submitted by the parties.

The Petitioner argues that OTR applies an arbitrary three percent (3%) increase to the sales price of \$3,950,000 which closed August 2, 2010 to determine market value. The Petitioner provides analysis utilizing the income approach to determine market value. In the Petitioner's income analysis, real estate tax reimbursements are included in revenues which overstate Potential Gross Income. Making this correction and using all other assumptions by the Petitioner results in a value less than \$350 per square foot. Prior to the hearing, OTR recommended a reduction to a combined value of \$4,185,980 or \$479 per square foot, for all three lots. OTR provides comparable commercial sales to support this recommended value which also confirms that \$350 per square foot is too low for the subject property.

The Commission finds a reduction to OTR's recommended value of \$4,185,980 is warranted.

COMMISSIONER SIGNATURES

Karla Christensen

May Chan

Gregory Syphax

FURTHER APPEAL PROCEDURES

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Date: January 7, 2013

Legal Description of Property

Square: 0315 Lot: 0026

Property Address: Massachusetts Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	935,710	Land	935,710
Building	-0-	Building	-0-
Total	\$ 935,710	Total	\$ 935,710

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their estimated market values. The issue presented by the Petitioner is that the subject property was sold November 30, 2011, and that "the arms-length purchase price of the subject is the best indication of the value as of January 1, 2012. (See *Levy v. D.C.*)" The OTR states that the subject property was part of a portfolio sale (bulk sale) with five other properties spread throughout NW and NE quadrants of the city. The OTR states that when "it is determined [that] if the purchase price of each individual property was not discounted due to a bulk sale, then the sale of these properties may be considered [as an indication of market value]." In this case, the Petitioner's allocation of values based on the bulk sale appears unreasonable and non-compelling. The Commission considered the income analysis presented by both parties, as well as the list of comparable sales provided by OTR, and does not find the value produced by the Petitioner to be representative of the market value. The Commission sustains the 2013 Tax Year assessment.

COMMISSIONER SIGNATURES

Gregory Syphax

Frank Sanders

Cliftine Jones

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



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Date: January 7, 2013

Legal Description of Property

Square: 0315 Lot: 0822

Property Address: 1111 Massachusetts Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	5,614,920	Land	5,614,920
Building	10,004,300	Building	10,004,300
Total	\$ 15,619,220	Total	\$ 15,619,220

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their estimated market values. The issue presented by the Petitioner is that the subject property was sold November 30, 2011, and that "the arms-length purchase price of the subject is the best indication of the value as of January 1, 2012. (See *Levy v. D.C.*)" The OTR states that the subject property was part of a portfolio sale (bulk sale) with five other properties spread throughout NW and NE quadrants of the city. The OTR states that when "it is determined [that] if the purchase price of each individual property was not discounted due to a bulk sale, then the sale of these properties may be considered [as an indication of market value]." In this case, the Petitioner's allocation of values based on the bulk sale appears unreasonable and non-compelling. The Commission considered the income analysis presented by both parties, as well as the list of comparable sales provided by OTR, and does not find the value produced by the Petitioner to be representative of the market value. The Commission sustains the 2013 Tax Year assessment.

COMMISSIONER SIGNATURES

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Frank Sanders

Cliftine Jones

FURTHER APPEAL PROCEDURES

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Real Property Tax Appeals Commission

IN ACCORDANCE WITH Section 47.825.01a of the District of Columbia Statute you are hereby notified of your assessment for the current year **2013** as finalized by the Real Property Tax Appeals Commission for the property described. If YOU WISH TO APPEAL THIS ASSESSMENT FURTHER, SEE THE INFORMATION BELOW

Date: December 19, 2012

Legal Description of Property

Square: 0463 Lot: 0024

Property Address: 600 Maryland Avenue, NE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	81,543,800	Land	81,543,800
Building	251,711,840	Building	251,711,840
Total	\$ 333,255,640	Total	\$ 333,255,640

Rationale:

The Petitioner raises the following issues in this appeal: net rentable area, market rent, expenses, vacate probability, lease up costs, and capitalization rate. After reviewing updated income and expense information, the Office of Tax and Revenue (OTR) assessor addressed the following issues prior to the Real Property Tax Appeals Commission (RPTAC) hearing: net rentable area, market rent, and lease up costs resulting in a 1.8% change and a new OTR recommended value of \$327,247,661.

The Petitioner contends that the operating expenses, vacate probability, lease up costs, and capitalization rate are all too low in OTR's income analysis. The Petitioner presents an appraisal to further substantiate these claims; however, the Commission finds OTR's analysis to be reasonable and the Petitioner failed to demonstrate by a preponderance of the evidence that OTR's proposed assessment is incorrect. OTR's new recommended value is less than 5% of the proposed assessment. Pursuant to D.C. Official Code §47-825.01a (e)(4)(C)(ii) (2012 Supp.), the Commission is only authorized to "raise or lower the estimated value of any real property which it finds to be more than five per centum above or below the estimated market value" of the property. The new value does not meet this threshold. Accordingly, the proposed Tax Year 2013 assessment is sustained.

Commission Signatures

Hillary Lovick, Esq.

Trent Williams

Andrew Dorchester

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the tax year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



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Date: January 24, 2013

Legal Description of Property

Square: 0536 Lot: 0053

Property Address: 300 D Street SW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	37,002,600	Land	37,002,600
Building	51,550,170	Building	12,997,400
Total	\$ 88,552,770	Total	\$ 50,000,000

Rationale:

Pursuant to DC Code §47-825.01a(c)(1)(B), the Stipulation Agreement entered into by the Office of Tax and Revenue and the Petitioner is accepted. The Stipulation Agreement resolves the matter of the Tax Year 2013 appeal.

COMMISSIONER SIGNATURE


Richard Amato, Esq.

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
 OFFICE OF THE CHIEF FINANCIAL OFFICER
 OFFICE OF TAX AND REVENUE
 REAL PROPERTY TAX ADMINISTRATION



RPTAC ASSESSMENT STIPULATION FORM

Square	536	Suffix		Lot (s)	53
Property Address	300 D Street SW				
Petitioner	The Design Center LLC				

STIPULATION AGREEMENT

IT IS HEREBY AGREED BY AND BETWEEN THE PETITIONER AND THE DISTRICT OF COLUMBIA THAT IN ORDER TO EXPEDITIOUSLY SETTLE THIS MATTER, EACH PARTY AGREES TO STIPULATE TO THE ESTIMATED MARKET VALUE FOR THE SUBJECT PROPERTY FOR TAX YEAR 2013 AS FOLLOWS:

	PROPOSED ASSESSED VALUE (Assessed value after First Level)	STIPULATED ASSESSED VALUE
LAND	\$37,002,600	\$37,002,600
IMPROVEMENTS	\$51,550,170	\$12,997,400
TOTAL	\$88,552,770	\$50,000,000

STIPULATED PERCENTAGE CHANGE: 43.52% STIPULATED VALUE CHANGE: \$38,552,770

JUSTIFICATION: The subject property is known as the Washington Design Center. The subject property has 308,480 square feet of showroom space for furniture dealers and fabric vendors and 84,570 square feet of dedicated office space. The subject property was purchased in July 2012 for \$37,002,600 by David Green, the owner of Hobby Lobby craft stores. Mr. Green's plans are to convert the showroom space into a museum to display his collection biblical texts and artifacts. Once the conversion is complete, the site will be known as the Bible Museum.

BY ENTERING INTO THIS STIPULATION AGREEMENT, THE PARTIES AGREE THAT UPON ACCEPTANCE BY THE PARTIES AND THE REAL PROPERTY TAX APPEALS COMMISSION'S ADOPTION OF THE PARTIES' STIPULATED ASSESSMENT, THAT VALUE SHALL BECOME THE ASSESSED VALUE AND NEITHER PARTY, ITS HEIRS, ASSIGNS OR SUCCESSORS SHALL CONTEST THIS VALUE IN FURTHER HEARINGS BEFORE THE REAL PROPERTY TAX APPEALS COMMISSION OR APPEAL SUCH VALUE TO ANY COURT.

FOR THE DISTRICT OF COLUMBIA:

APPRAISER: [Signature]

Date: Jan 16, 13

SUPERVISORY APPRAISER: [Signature]

Date: 4/16/13

APPEALS & LITIGATION MANAGER/
 RESIDENTIAL MANAGER: [Signature]

Date: 22 JAN 2013

CHIEF APPRAISER: [Signature]

Date: 1-22-13

DIRECTOR: [Signature]

Date: 1/24/13

FOR THE PETITIONER:

OWNER/AGENT: [Signature]

Date: 1-15-13

AGENT'S COMPANY NAME: Wilkes Artis, Chrl.



Real Property Tax Appeals Commission

IN ACCORDANCE WITH Section 47.825.01a of the District of Columbia Statute you are hereby notified of your assessment for the current year **2013** as finalized by the Real Property Tax Appeals Commission for the property described. If YOU WISH TO APPEAL THIS ASSESSMENT FURTHER, SEE THE INFORMATION BELOW

Date: January 7, 2013

Legal Description of Property

Square: 0538 Lot: 0873

Property Address: 250 E Street, SW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	51,027,000	Land	51,027,000
Building	85,246,240	Building	85,246,240
Total	\$ 136,273,240	Total	\$ 136,273,240

Rationale:

The Petitioner raises the following issues in this appeal: below grade rentable space and rent, market rent, other income, expense allowance, lease up assumptions, tenant improvement deduction, and capitalization rate. Prior to the RPTAC hearing, OTR made the following changes: allocated 4,625 sq. ft. as lower level space and removed other income resulting in a less than 1% change in value and a new OTR recommended value of \$135,630,983. The Petitioner contends that the market office rent is too high, that additional below grade rentable space has not been accounted for, that expenses are too low, and that the lease up costs and cap rate applied by OTR are too low especially since the building's main office tenant will vacate in 2012. The Petitioner presents an appraisal to further substantiate these claims; however, the Commission finds OTR's analysis to be reasonable and supported by the tax year 2013 income and expense forms and the rent roll. Based on both the hearing testimony and the evidence provided in this case, the Commission finds that the Petitioner failed to demonstrate by a preponderance of the evidence that OTR's proposed assessment is erroneous. Further, OTR's new recommended value is within than 5% of the proposed assessment. Pursuant to D.C. Official Code §47-825a (e)(4)(C)(ii)(2012 Supp.), the Commission is only authorized to "raise or lower the estimated value of any real property which it finds to be more than five per centum above or below the estimated market value" of the property. The new value does not meet this threshold. Accordingly, the proposed tax year 2013 assessment is sustained.

COMMISSION SIGNATURES

Hillary Lovick, Esq.

Andrew Dorchester

Trent Williams

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the tax year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



Real Property Tax Appeals Commission

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BELOW

Date: January 7, 2013

Legal Description of Property

Square: 0538 Lot: 0874

Property Address: 300 E Street SW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	98,436,000	Land	98,436,000
Building	187,385,580	Building	187,385,580
Total	\$ 285,821,580	Total	\$ 285,821,580

Rationale:

The subject is an office building. The Petitioner raises the following issues in this appeal: retail rents, expenses, capital expenditures, lease up costs, rental abatement deduction, and capitalization rate. After reviewing the income and expense information for tax year 2013, the OTR assessor addressed the following issues prior to the RPTAC hearing: expenses and capital expenditures to arrive at a new OTR recommended value of \$285,356,791. The Commission has reviewed the documentation submitted by both parties. The Commission finds OTR's analysis as to retail rents, expense allowance, capital expenditures, and capitalization rate to be reasonable and supported based on market data and income and expense documentation. The Commission also finds OTR's analysis with regard to both lease up costs and the rental abatement deduction to be reasonable; the subject has received lease up costs consideration in past years. Even more, the major office tenant renewed its lease in February 2011 well before the tax year 2013 value date, January 1, 2012. Although the major office tenant's lease renewal requires substantial tenant improvements and the tenant will occupy swing space at the owner's cost during such renovations, the Commission finds that this is a business decision considered by both owner and tenant.

The Commission accepts OTR's new recommended value, however the value does not meet the "five percent rule." Accordingly, the Commission sustains the proposed assessment.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Andrew Dorchester

Trent Williams

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



Real Property Tax Appeals Commission

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Date: December 28, 2012

Legal Description of Property

Square: 0720 Lot: 0824

Property Address: 100 F Street, NE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	59,006,880	Land	59,006,880
Building	347,509,360	Building	317,490,448
Total	\$ 406,516,240	Total	\$ 376,497,328

Rationale:

The Petitioner raises the following issues in this appeal: long-term contract rent, below grade space, expenses, other income, parking income, and capitalization rate. After reviewing updated income and expense information, the Office of Tax and Revenue (OTR) assessor addressed the following issues prior to the Real Property Tax Appeals Commission (RPTAC) hearing: long-term contract rent, below grade space, other income, and parking income resulting in a 7.38% change and a new OTR recommended value of \$376,497,328.

The Petitioner contends that the expenses must be increased to reflect stabilization and that the trophy capitalization rate used by OTR is unjustified. The Commission finds OTR's analysis as to the expense allowance and capitalization rate to be reasoned and supported based on the income and expense information and the building's strong tenant and desirable location, respectively. Accordingly, the Commission accepts OTR's recommended value and lowers the proposed assessment.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Trent Williams

Andrew Dorchester

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the tax year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



Real Property Tax Appeals Commission

IN ACCORDANCE WITH Section 47.825.01a of the District of Columbia Statute you are hereby notified of your assessment for the current year **2013** as finalized by the Real Property Tax Appeals Commission for the property described. If YOU WISH TO APPEAL THIS ASSESSMENT FURTHER, SEE THE INFORMATION BELOW

Date: December 19, 2012

Legal Description of Property

Square: 0720 Lot: 0825

Property Address: 600 2nd Street, NE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	29,722,140	Land	29,722,140
Building	161,001,240	Building	161,001,240
Total	\$ 190,723,380	Total	\$ 190,723,380

Rationale:

The Petitioner raises the following issues in this appeal: long-term contract rent, expenses, parking income, and capitalization rate. Prior to the Real Property Tax Appeals Commission (RPTAC) hearing, the Office of Tax and Revenue (OTR) assessor made adjustments to the long-term contract rent and parking income. These changes resulted in a higher estimated property value than the proposed assessment. As such, the OTR assessor recommends sustaining the proposed assessment value. The Petitioner contends that the expenses must be increased to reflect stabilization and that the trophy capitalization rate used by OTR is unjustified. The Commission finds OTR's analysis as to the expense allowance and capitalization rate to be reasoned and supported based on the income and expense information and the building's strong tenant and desirable location, respectively.

The Commission sustains the proposed Tax Year 2013 assessment.

Commission Signatures

Hillary Lovick, Esq.

Trent Williams

Andrew Dorchester

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the tax year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



Real Property Tax Appeals Commission

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Date: January 7, 2013

Legal Description of Property

Square: 0742 Lot: 0039

Property Address: 1100 New Jersey Avenue, SE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	30,310,700	Land	30,310,700
Building	115,266,730	Building	115,266,730
Total	\$ 145,577,430	Total	\$ 145,577,430

Rationale:

The Petitioner raises the following issues in this appeal: expense allowance, vacate probability, and capitalization rate. The Commission finds OTR's expense allowance to be reasonable and supported by the income and expense reports. Even more, the Commission finds that the OTR has made adjustments for vacancy and that the OTR's cap rate is supported by the market. Based on both the hearing testimony and the evidence provided in this case, the Commission finds that the Petitioner failed to demonstrate by a preponderance of the evidence that OTR's proposed assessment is erroneous. Further, OTR's new recommended value is less than 5% of the proposed assessment. Pursuant to D.C. Official Code §47-825a(e)(4)(C)(ii)(2012 Supp.), the Commission is only authorized to "raise or lower the estimated value of any real property which it finds to be more than five per centum above or below the estimated market value" of the property. The new value does not meet this threshold. Accordingly, the proposed tax year 2013 assessment is sustained.

COMMISSION SIGNATURES


Hillary Lovick, Esq.


Andrew Dorchester


Trent Williams

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the tax year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



Real Property Tax Appeals Commission

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Date: January 7, 2013

Legal Description of Property

Square: 0800 Lot: 0029

Property Address: 300 M Street, SE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	28,889,250	Land	28,889,250
Building	90,222,120	Building	83,182,010
Total	\$ 119,111,370	Total	\$ 112,071,260

Rationale:

The Petitioner raises the following issues on appeal in this case: net rentable area, rents, expenses, capital expenditures, other income, and capitalization rate. Prior to the Real Property Tax Appeals Commission (RPTAC) hearing, the Office of Tax and Revenue (OTR) made the following adjustments: net rentable area, capital expenditures, and other income. The OTR adjustments resulted in a reduction and a new OTR recommended value of \$113,299,536. OTR's new recommended value does not meet the five percent rule as contained in D.C. Official Code §47-825.01a(e)(4)(C)(ii)(2012 Supp.).

The Commission finds that OTR's rents and capitalization rate are supported by the market. The Commission has calculated adjustments to the expense allowance to account for stabilization. After further review and analyses, the Commission has calculated a proposed assessed value of \$112,071,260 which is lower than OTR's new recommended value and meets the five percent rule. The Tax Year 2013 assessment is therefore reduced.

COMMISSION SIGNATURES

Trent Williams

Hillary Lovick, Esq.

Andrew Dorchester

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the tax year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



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Date: January 7, 2013

Legal Description of Property

Square: 1025 Lot: 0811

Property Address: 1201 M Street, SE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	39,837,520	Land	39,837,520
Building	41,105,330	Building	41,105,330
Total	\$ 80,942,850	Total	\$ 80,942,850

Rationale:

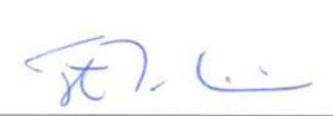
The Petitioner argues that the income approach to value is incorrect and an alternative approach to value should be used by the Office of Tax and Revenue (OTR). The Petitioner suggests calculating the assessment value by adding the 2010 sales price of the leasehold interest to the value of the leased fee estate.

The Commission finds OTR's analysis to be reasonable and supported by the income and expense reports, the rent rolls, and the market. Even more, the Commission finds that the sales price of the leasehold interest does not take into account new leases entered into after the 2010 sale. Based on both the hearing testimony and the evidence submitted in this case, the Commission finds that the Petitioner failed to demonstrate by a preponderance of the evidence that OTR's proposed assessment is erroneous. The Commission finds that the suggestion of an alternative approach to value is not sufficient to prove error in the OTR's calculation of the assessment value using the income approach. Accordingly, the proposed tax year 2013 assessment is sustained.

COMMISSIONER SIGNATURES


Hillary Lovick, Esq.


Andrew Dorchester


Trent Williams

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the tax year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



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Date: January 7, 2013

Legal Description of Property

Square: 1025 Lot: 0812

Property Address: 1220 12th Street, SE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	14,517,100	Land	14,517,100
Building	45,839,430	Building	45,839,430
Total	\$ 60,356,530	Total	\$ 60,356,530

Rationale:

The Petitioner argues that the income approach to value is incorrect and an alternative approach to value should be used by the Office of Tax and Revenue (OTR). The Petitioner suggests calculating the assessment value by adding the 2010 sales price of the leasehold interest to the value of the leased fee estate.

The Commission finds OTR's analysis to be reasonable and supported by the income and expense reports, the rent rolls, and the market. Even more, the Commission finds that the sales price of the leasehold interest does not take into account new leases entered into after the sale. Based on both the hearing testimony and the evidence submitted in this case, the Commission finds that the Petitioner failed to demonstrate by a preponderance of the evidence that OTR's proposed assessment is erroneous. The Commission finds that the suggestion of an alternative approach to value is not sufficient to prove error in the OTR's calculation of the assessment value using the income approach. Accordingly, the proposed tax year 2013 assessment is sustained.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Andrew Dorchester

Trent Williams

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the tax year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



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Date: January 7, 2013

Legal Description of Property

Square: 1025 Lot: 0813

Property Address: 13th Street, SE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	617,700	Land	617,700
Building	0	Building	0
Total	\$ 617,700	Total	617,700

Rationale:

The Petitioner did not challenge the proposed assessment applied to the property.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Andrew Dorchester

Trent Williams

FURTHER APPEAL PROCEDURES

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Date: January 18, 2013

Legal Description of Property

Square: 1188 Lot: 0118

Property Address: 1010 Wisconsin Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	4,768,130	Land	4,768,130
Building	39,060,730	Building	39,060,730
Total	\$ 43,828,860	Total	\$ 43,828,860

Rationale: Pursuant to statute, the Petitioner must demonstrate by the preponderance of the evidence that the proposed Tax Year 2013 assessment of the real property by the Office of Tax and Revenue (OTR) does not represent the estimated value of the property as of January 1, 2012, valuation date.

The subject is a Class B office and retail building known as Waterfront Center located in Georgetown. The issues presented by the Petitioner are vacancy rate, expenses, capitalization rate, capital improvements and lease-up costs.

The Petitioner argument for a change in OTR's vacancy rate was unpersuasive since the Petitioner's most recently filed Income and Expense form reflects a vacancy rate of zero percent (0%) at the date of valuation. The Petitioner argues that OTR's expense allowance is too low, but the Petitioner uses the same figure as OTR in their analysis for the hearing. The Petitioner argues that OTR's capitalization rate is too low and does not account for retail space. In this case, the Commission finds that OTR's capitalization rate is reasonable for this type of asset in this particular submarket. The Petitioner argues that OTR's capital improvements are too low, pointing out that OTR reduces the amount in the first level appeal. OTR applies a present value discount to the actual capital improvements on the most recent Income and Expense form submitted by the Petitioner. The Commission finds this is reasonable as the majority of the projects listed are likely to be spread over a future unspecified period of time. The Petitioner argues that OTR's lease-up costs are too low, but the Petitioner concedes and uses the same figure.

Based on the preponderance of the evidence provided by the Petitioner, the Commission sustains in the proposed Tax Year 2013 assessment from the first level appeal.

Karla Christensen

Gregory Syphax
FURTHER APPEAL PROCEDURES

May Chan

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



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Date: January 23, 2013

Legal Description of Property

Square: 1189 Lot: 2031

Property Address: 3111 K Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	6,351,040	Land	6,351,040
Building	10,844,740	Building	10,844,740
Total	\$ 17,195,780	Total	\$ 17,195,780

Rationale: Pursuant to statute, the Petitioner must demonstrate by the preponderance of the evidence that the proposed Tax Year 2013 assessment of the real property by the Office of Tax and Revenue (OTR) does not represent the estimated value of the property as of January 1, 2012, valuation date.

The subject is a 14-screen movie theatre located in Georgetown and occupied by Loews theatre group. The issues presented by the Petitioner are vacancy rate and capitalization rate. The Commission reviewed the subject property's income and expense data and other documentation submitted by the parties.

The Petitioner argument for a change in OTR's vacancy rate was acknowledged and considered in OTR's first level appeal analysis by increasing the vacancy probability to 100%. OTR addressed vacancy probability instead of vacancy rate because the theatre's lease expiration is November 30, 2022, per Petitioner's most recent income and expense form submitted. The Petitioner's argument for a change in OTR's capitalization rate was acknowledged and considered in OTR's first level appeal analysis with an increase. The Petitioner feels the capitalization rate should be higher to account for the specialty use of the subject property and provided evidence of 3 cinemas' capitalization rates from California and Washington State. The Commission does not find data on cinemas located in California and Washington State to be relevant as each of these examples may or may not have similar revenue streams, standards of living, or particulars of these neighborhoods to be comparable to Georgetown.

Based on the preponderance of the evidence provided by the Petitioner, the Commission sustains in the proposed Tax Year 2013 assessment from the first level appeal.

Karla Christensen

Gregory Syphax
FURTHER APPEAL PROCEDURES

May Chan

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



Real Property Tax Appeals Commission

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Date: January 18, 2013

Legal Description of Property

Square: 1199 Lot: 0050

Property Address: 1066 31st Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	487,280	Land	487,280
Building	254,820	Building	254,820
Total	\$ 742,100	Total	\$ 742,100

Rationale:

Pursuant to statute, the Petitioner must demonstrate by the preponderance of the evidence that the proposed Tax Year 2013 assessment of the real property by the Office of Tax and Revenue (OTR) does not represent the estimated value of the property as of January 1, 2012, valuation date.

The subject is one of four lots serving as one economic entity, a Class B office and retail building located in Georgetown. The issues presented by the Petitioner are vacancy rate, capitalization rate, capital improvements and lease-up costs.

The Petitioner's argument for a change in OTR's vacancy rate was unpersuasive since the Petitioner's most recently filed Income and Expense form reflects a vacancy rate of approximately five percent (5%) at the date of valuation. The Petitioner argues that OTR incorrectly applied a Class B capitalization rate to derive its value instead of a Class C capitalization rate. In this case, the Commission finds that OTR's use of Class B capitalization rate is reasonable given the buildings location and tenant stability. The Petitioner failed to show that the capital improvements and lease-up costs used by OTR are unreasonable.

Therefore, the Commission sustains the proposed Tax Year 2013 assessment from the first level appeal.

COMMISSIONER SIGNATURES

Karla Christensen

Gregory Syphax
FURTHER APPEAL PROCEDURES

May Chan

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



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Date: January 18, 2013

Legal Description of Property

Square: 1199 Lot: 0053

Property Address: 1054 31st Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	6,900,430	Land	6,900,430
Building	13,763,420	Building	13,763,420
Total	\$ 20,663,850	Total	\$ 20,663,850

Rationale:

Pursuant to statute, the Petitioner must demonstrate by the preponderance of the evidence that the proposed Tax Year 2013 assessment of the real property by the Office of Tax and Revenue (OTR) does not represent the estimated value of the property as of January 1, 2012, valuation date.

The subject is one of four lots serving as one economic entity, a Class B office and retail building located in Georgetown. The issues presented by the Petitioner are vacancy rate, capitalization rate, capital improvements and lease-up costs.

The Petitioner’s argument for a change in OTR’s vacancy rate was unpersuasive since the Petitioner’s most recently filed Income and Expense form reflects a vacancy rate of approximately five percent (5%) at the date of valuation. The Petitioner argues that OTR incorrectly applied a Class B capitalization rate to derive its value instead of a Class C capitalization rate. In this case, the Commission finds that OTR’s use of Class B capitalization rate is reasonable given the buildings location and tenant stability. The Petitioner failed to show that the capital improvements and lease-up costs used by OTR are unreasonable.

Therefore, the Commission sustains the proposed Tax Year 2013 assessment from the first level appeal.

COMMISSIONER SIGNATURES

Karla Christensen

Gregory Syphax

May Chan

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



Real Property Tax Appeals Commission

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Date: January 18, 2013

Legal Description of Property

Square: 1199 Lot: 0817

Property Address: 3112 M Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	1,191,960	Land	1,191,960
Building	1,076,020	Building	1,076,020
Total	\$ 2,267,980	Total	\$ 2,267,980

Rationale:

Pursuant to statute, the Petitioner must demonstrate by the preponderance of the evidence that the proposed Tax Year 2013 assessment of the real property by the Office of Tax and Revenue (OTR) does not represent the estimated value of the property as of January 1, 2012, valuation date.

The subject is one of four lots serving as one economic entity, a Class B office and retail building located in Georgetown. The issues presented by the Petitioner are vacancy rate, capitalization rate, capital improvements and lease-up costs.

The Petitioner’s argument for a change in OTR’s vacancy rate was unpersuasive since the Petitioner’s most recently filed Income and Expense form reflects a vacancy rate of approximately five percent (5%) at the date of valuation. The Petitioner argues that OTR incorrectly applied a Class B capitalization rate to derive its value instead of a Class C capitalization rate. In this case, the Commission finds that OTR’s use of Class B capitalization rate is reasonable given the buildings location and tenant stability. The Petitioner failed to show that the capital improvements and lease-up costs used by OTR are unreasonable.

Therefore, the Commission sustains the proposed Tax Year 2013 assessment from the first level appeal.

COMMISSIONER SIGNATURES

Karla Christensen

Gregory Syphax
FURTHER APPEAL PROCEDURES

May Chan

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



Real Property Tax Appeals Commission

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Date: January 18, 2013

Legal Description of Property

Square: 1199 Lot: 0818

Property Address: 3110 M Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	970,220	Land	970,220
Building	541,770	Building	541,770
Total	\$ 1,511,990	Total	\$ 1,511,990

Rationale:

Pursuant to statute, the Petitioner must demonstrate by the preponderance of the evidence that the proposed Tax Year 2013 assessment of the real property by the Office of Tax and Revenue (OTR) does not represent the estimated value of the property as of January 1, 2012, valuation date.

The subject is one of four lots serving as one economic entity, a Class B office and retail building located in Georgetown. The issues presented by the Petitioner are vacancy rate, capitalization rate, capital improvements and lease-up costs.

The Petitioner’s argument for a change in OTR’s vacancy rate was unpersuasive since the Petitioner’s most recently filed Income and Expense form reflects a vacancy rate of approximately five percent (5%) at the date of valuation. The Petitioner argues that OTR incorrectly applied a Class B capitalization rate to derive its value instead of a Class C capitalization rate. In this case, the Commission finds that OTR’s use of Class B capitalization rate is reasonable given the buildings location and tenant stability. The Petitioner failed to show that the capital improvements and lease-up costs used by OTR are unreasonable.

Therefore, the Commission sustains the proposed Tax Year 2013 assessment from the first level appeal.

COMMISSIONER SIGNATURES

Karla Christensen

Gregory Syphax
FURTHER APPEAL PROCEDURES

May Chan

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



Real Property Tax Appeals Commission

IN ACCORDANCE WITH Section 47.825.1 of the District of Columbia Statutes you Are hereby notified of your assessment for the current year **2013** as finalized by the Real Property Tax Appeals Commission for the property described. If YOU WISH TO APPEAL THIS ASSESSMENT FURTHER, SEE THE INFORMATION BELOW

Date: January 18, 2013

Legal Description of Property

Square: 1299 Lot: 1026

Property Address: 2121 Wisconsin Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	4,386,750	Land	4,386,750
Building	20,631,000	Building	20,631,000
Total	\$ 25,017,750	Total	\$ 25,017,750

Rationale:

Pursuant to statute, the Petitioner must demonstrate by the preponderance of the evidence that the proposed Tax Year 2013 assessment of the real property by the Office of Tax and Revenue (OTR) does not represent the estimated value of the property as of January 1, 2012, valuation date.

The subject is a Class B office and retail building located along Wisconsin Avenue near Glover Park. The issues presented by the Petitioner are expenses, capitalization rate, capital improvements and lease-up costs.

The Petitioner argues that OTR's expenses are too low as they do not reflect a full year due to the sale of the property March 1, 2011. To address this issue, OTR stabilized expenses in the first level appeal at 14.5% higher than those listed on the Petitioner's most recent Income and Expense form submitted. The Petitioner argues that OTR's capitalization rate is too low for a Class B building. In this case, the Commission finds that OTR's capitalization rate is reasonable for this type of asset in this particular submarket. The Petitioner argues that OTR's capital improvements and lease-up costs are too low. To address these two issues, OTR modified capital improvements and lease-up costs in the first level appeal to match the amounts used by the Petitioner.

As the Petitioner did not provide a preponderance of the evidence to support a change, the Commission sustains the proposed Tax Year 2013 assessment from the first level

COMMISSIONER SIGNATURES

Karla Christensen

Gregory Syphax

May Chan

FURTHER APPEAL PROCEDURES

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Real Property Tax Appeals Commission

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Date: January 18, 2013

Legal Description of Property

Square: 1299 Lot: 1027

Property Address: 2115 Wisconsin Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	19,168,310	Land	19,168,310
Building	35,048,990	Building	31,332,176
Total	\$ 54,217,300	Total	\$ 50,500,486

Rationale:

Pursuant to statute, the Petitioner must demonstrate by the preponderance of the evidence that the proposed Tax Year 2013 assessment of the real property by the Office of Tax and Revenue (OTR) does not represent the estimated value of the property as of January 1, 2012, valuation date.

The subject is a Class B office and retail building located along Wisconsin Avenue near Glover Park. The issues presented by the Petitioner are vacancy rate, capitalization rate, capital improvements and lease-up costs.

The Petitioner argument for a change in OTR's vacancy rate was unpersuasive since the Petitioner's most recently filed Income and Expense form reflects a vacancy rate of less than five percent (5%) at the date of valuation. The Petitioner argues that OTR capitalization rate is too low for a Class B building. In this case, the Commission finds that OTR's capitalization rate is high for this type of asset in this particular submarket and applies a reduction. The Petitioner argues that OTR's capital improvements are too low. In the first level appeal, OTR reduced the capital improvement allowance from their original amount with no supportive reasoning. Therefore, the Commission applies the original amount to the analysis. The Petitioner argues the OTR's lease-up costs are too low. In the first level appeal, lease-up costs were increased to an amount the Commission deems.

Based on the preponderance of the evidence provided by the Petitioner, the Commission finds a further reduction in the proposed Tax Year 2013 assessment from the first level appeal is warranted.

Karla Christensen

Gregory Syphax

May Chan

FURTHER APPEAL PROCEDURES

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Real Property Tax Appeals Commission

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Date: January 7, 2013

Legal Description of Property

Square: 1730 Lot: 2001

Property Address: 4500 Wisconsin Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	14,919,000	Land	14,919,000
Building	32,415,900	Building	29,567,900
Total	\$ 47,334,900	Total	\$ 44,486,900

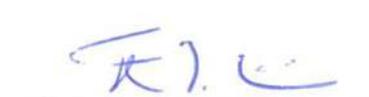
Rationale:

The subject is a retail strip condominium. The Petitioner raises the following issues in this appeal: retail rent, expenses, vacancy rate, capital expenditures, other income, electronic reimbursement income, lease growth rate, and cap rate. After reviewing the updated income and expense information, the OTR assessor addressed the following issues prior to the RPTAC hearing: retail rent, vacancy rate, other income, electronic reimbursement income, and lease growth rate resulting in a 6.02% change and an OTR new recommended value of \$44,486,900. The Petitioner contends that the assessor's expense allowance and cap rate are too low and not reflective of stabilized expenditures or the risk associated with the property's main tenant, respectively. The assessor testified that lower operating expenses are justified here because the operating expense and real estate pass thrus reported on the rent roll decreased from tax year 2012 to tax year 2013. This fact decreased the property's gross potential income; therefore, the assessor does not believe that adjusting expenses upward is appropriate on this property. The OTR assessor testified that the cap rate he applied in his analysis is within the range indicated by the CBRE Surveys and the Price Waterhouse Coopers' National Strip Shopping Center Market Third Quarter 2011 Real Estate Investor Survey. The Commission finds OTR's analysis as to the expense allowance and cap rate to be reasonable. The Commission accepts OTR's adjustments and the new recommended value of \$44,486,900. The proposed assessment is reduced, accordingly.

COMMISSION SIGNATURES


Hillary Lovick, Esq.


Andrew Dorchester


Trent Williams

FURTHER APPEAL PROCEDURES

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Date: January 23, 2013

Legal Description of Property

Square: 2046 Lot: 0003

Property Address: 4433 Connecticut Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	15,372,900	Land	15,372,900
Building	21,996,300	Building	19,237,500
Total	\$ 37,369,200	Total	\$ 34,610,400

Rationale:

The Real Property Tax Appeals Commission (RPTAC) reviewed the submissions by the Office of Tax and Revenue (OTR) and the Petitioner and listened to arguments from both parties at a hearing on November 14, 2012. The bases for the appeal are equalization and valuation. The Petitioner argues that OTR has overstated the net rentable area (“NRA”)’ imputed office rent too high; based its analysis on expenses that are lower than market evidence; used an insufficient stabilized vacancy rate; overstated the parking income; used an incorrect lease growth rate; and misanalyses the subject’s capitalization rate. In reviewing the case, OTR now recommends a decrease in the assessment to \$34,610,400. OTR states that it has corrected the NRA, lease growth rate, and parking income. OTR argues that its updated market rent is based on the weighted average of newly signed leases; that its operating expenses are based on a 3% per year increase from 2010; and that its using a stabilized vacancy rate. OTR states that it increased the cap rate to account for the above average vacancy. The Petitioner presents little definitive evidence to refute OTR’s building classification. OTR sufficiently addresses many of the Petitioner’s concerns in its revised analysis that is the basis for its recommended value. The Petitioner fails to show by a preponderance of the evidence that the proposed assessment by OTR is erroneous. Therefore, the RPTAC accepts OTR’s recommended value for the proposed assessment for Tax Year 2013.

COMMISSIONER SIGNATURES

Andrew Dorchester

Hillary Lovick, Esq.

Trent Williams

FURTHER APPEAL PROCEDURES

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Date: January 23, 2013

Legal Description of Property

Square: 2051 Lot: 0006

Property Address: 4201 Connecticut Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	6,011,200	Land	6,011,200
Building	11,525,450	Building	9,367,150
Total	\$ 17,536,650	Total	\$ 15,378,350

Rationale:

The Real Property Tax Appeals Commission (RPTAC) reviewed the submissions by the Office of Tax and Revenue (OTR) and the Petitioner and listened to arguments from both parties at a hearing on November 14, 2012. The bases for the appeal are equalization and valuation. The Petitioner argues that OTR overstates the net rentable area ("NRA"); imputes office rent too high; bases its analysis on expenses that are lower than actual expenses and contrary to market evidence; uses an insufficient stabilized vacancy rate; uses an incorrect lease growth rate; does not consider necessary capital expenditures; and misanalyses the subject's capitalization rate. In reviewing the case, OTR now recommends a decrease in the assessment to \$15,378,350, based on an updated NRA and rent analysis. OTR reconciles its analysis with a 2007 sale of the subject for \$17-million. The RPTAC finds that OTR's revisions, coupled with the sale that occurred five years ago, answer many of the Petitioner's arguments and that the Petitioner failed to show by a preponderance of the evidence that the proposed assessment by OTR was erroneous. Therefore, the RPTAC accepts OTR's recommended value for the proposed assessment for Tax Year 2013

COMMISSIONER SIGNATURES

Andrew Dorchester

Hillary Lovick, Esq.

Trent Williams

FURTHER APPEAL PROCEDURES

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Date: January 23, 2013

Legal Description of Property

Square: 2535 Lot: 0830

Property Address: 1875 Connecticut Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	47,498,680	Land	47,498,680
Building	83,795,920	Building	83,795,920
Total	\$ 131,294,600	Total	\$ 131,294,600

Rationale:

The Real Property Tax Appeals Commission (RPTAC) reviewed the submissions by the Office of Tax and Revenue (OTR) and the Petitioner and listened to arguments from both parties at a hearing on November 14, 2012. The bases for the appeal are equalization and valuation. The Petitioner argues that OTR’s imputed office rent is too high; long-term contract rent is overstated; expense allowance is too low and contrary to market evidence; stabilized vacancy rate is inaccurate; building capital expenditures are not fully considered; parking income is overstated; lease growth rate is incorrect; and capitalization rate is incorrect. In reviewing the case, OTR has amended its net rentable area, office rent, expenses, and vacancy; set the growth rate to zero; updated the parking income. OTR does not feel the Petitioner’s capital expenditures are appropriate. The Petitioner failed to present a compelling argument in favor of consideration of its capital expenditures, and also its capitalization rate and long-term contract rent analyses. Further, the Petitioner failed to show by a preponderance of the evidence that the proposed assessment by OTR was erroneous. Therefore, the RPTAC sustains the proposed assessment for Tax Year 2013.

COMMISSIONER SIGNATURES

Andrew Dorchester

Hillary Lovick, Esq.

Trent Williams

FURTHER APPEAL PROCEDURES

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Date: January 23, 2013

Legal Description of Property

Square: 2535 Lot: 0831

Property Address: 1825 Connecticut Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	45,065,850	Land	45,065,850
Building	58,079,250	Building	58,079,250
Total	\$ 103,145,100	Total	\$ 103,145,100

Rationale:

The Real Property Tax Appeals Commission (RPTAC) reviewed the submissions by the Office of Tax and Revenue (OTR) and the Petitioner and listened to arguments from both parties at a hearing on November 14, 2012. The bases for the appeal are equalization and valuation. The Petitioner argues that OTR imputes office rent too high: long-term contract rent is overstated; expense allowance is too low and contrary to market evidence; stabilized vacancy rate is inaccurate; building capital expenditures are not fully considered; vacate probability factor is too low; lease growth rate is incorrect; and capitalization rate is incorrect. In reviewing the case, OTR argues that the rent roll and CoStar data support its office market rent analysis. OTR does not factor in any capital expenditures viewing the items as a "wish list" and that the Petitioner has a history of stating capital expenditure costs significantly above what it actually ends up spending. However OTR does amend its vacancy rate, lease growth rate, vacate probability, and capitalization rate analyses.

The RPTAC finds that the rent roll and CoStar data presented by OTR sufficiently supports its rent analysis. The RPTAC also finds that the Petitioner failed to present a compelling argument in favor of its capital expenditure analysis and the Petitioner failed to show by a preponderance of the evidence that the long-term contract rent and the expense allowance used by OTR were erroneous. Therefore, the RPTAC sustains the proposed assessment for Tax Year 2013.

COMMISSIONER SIGNATURES

Andrew Dorchester

Hillary Lovick, Esq.

Trent Williams

FURTHER APPEAL PROCEDURES

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Date: January 23, 2013

Legal Description of Property

Square: 2674 Lot: 2001

Property Address: 3100 14th Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	7,132,740	Land	7,132,740
Building	96,248,560	Building	96,248,560
Total	\$ 103,381,300	Total	\$ 103,381,300

Rationale:

The Real Property Tax Appeals Commission (RPTAC) reviewed the submissions by the Office of Tax and Revenue (OTR) and the Petitioner and listened to arguments from both parties at a hearing on November 14, 2012. The bases for the appeal are equalization and valuation. The Petitioner argues that OTR's imputed office rent is too high; stabilized vacancy rate is not supported; building capital expenditures are not fully considered; vacate probability factor is too low; lease growth rate is incorrect; and capitalization rate is incorrect. The Petitioner further argues that certain retail spaces in the subject are inherently difficult to rent and that OTR needs to account for this fact. In reviewing the case, OTR argues that its rent analysis is supported by asking rents in the subject; that a breakdown of capital expenditures was never provided to OTR; that the subject is currently 10% vacant; and that its use of a lower range capitalization rate is justified because OTR's analysis factors in five years of lease-up costs while published cap rate studies do not consider lease-up allowances. OTR updated its lease growth rate and vacate probability. Though several spaces within the subject have been vacant since the subject's inception four years ago, the Petitioner failed to show that despite a growing economy the market value for the subject is impaired as a result of vacancy, particularly in light of the subject's good location. The Petitioner failed to demonstrate by a preponderance of the evidence that the proposed assessment by OTR was erroneous. Therefore, the RPTAC sustains the proposed assessment for Tax Year 2013.

COMMISSIONER SIGNATURES

Andrew Dorchester

Hillary Lovick, Esq.

Trent Williams

FURTHER APPEAL PROCEDURES

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Date: January 7, 2013

Legal Description of Property

Square: 2947 Lot: 0080

Property Address: 6676 Georgia Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	428,290	Land	428,290
Building	792,410	Building	792,410
Total	\$ 1,220,700	Total	\$ 1,220,700

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their estimated market values. The issue presented by the Petitioner is that the subject property was sold November 30, 2011, and that "the arms-length purchase price of the subject is the best indication of the value as of January 1, 2012. (See *Levy v. D.C.*)." The OTR states that the subject property was part of a portfolio sale (bulk sale) with five other properties spread throughout NW and NE quadrants of the city. The OTR states that when "it is determined [that] if the purchase price of each individual property was not discounted due to a bulk sale, then the sale of these properties may be considered [as an indication of market value]." In this case, the Petitioner's allocation of values based on the bulk sale appears unreasonable and non-compelling. The Commission considered the income analysis by both parties, as well as the list of comparable sales provided by OTR, and does not find the value produced by the Petitioner to be representative of the market value. The Commission sustains the 2013 Tax Year assessment.

COMMISSIONER SIGNATURES

Gregory Syphax

Frank Sanders

Cliftine Jones

FURTHER APPEAL PROCEDURES

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Date: January 7, 2013

Legal Description of Property

Square: 2947 Lot: 0092

Property Address: 1110 Aspen Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	476,790	Land	476,790
Building	730,210	Building	730,210
Total	\$ 1,207,000	Total	\$ 1,207,000

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their estimated market values. The issue presented by the Petitioner is that the subject property was sold November 30, 2011, and that "the arms-length purchase price of the subject is the best indication of the value as of January 1, 2012. (See *Levy v. D.C.*)" The OTR states that the subject property was part of a portfolio sale (bulk sale) with five other properties spread throughout NW and NE quadrants of the city. The OTR states that when "it is determined [that] if the purchase price of each individual property was not discounted due to a bulk sale, then the sale of these properties may be considered [as an indication of market value]." In this case, the Petitioner's allocation of values based on the bulk sale appears unreasonable and non-compelling. The Commission considered the income analysis by both parties, as well as the list of comparable sales provided by OTR, and does not find the value produced by the Petitioner to be representative of the market value. The Commission sustains the 2013 Tax Year assessment.

COMMISSIONER SIGNATURES

Gregory Syphax

Frank Sanders

Cliftine Jones

FURTHER APPEAL PROCEDURES

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Date: January 7, 2013

Legal Description of Property

Square: 2947 Lot: 0093

Property Address: 6670 Georgia Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	369,440	Land	369,440
Building	851,260	Building	851,260
Total	\$ 1,220,700	Total	\$ 1,220,700

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their estimated market values. The issue presented by the Petitioner is that the subject property was sold November 30, 2011, and that "the arms-length purchase price of the subject is the best indication of the value as of January 1, 2012. (See *Levy v. D.C.*)" The OTR states that the subject property was part of a portfolio sale (bulk sale) with five other properties spread throughout NW and NE quadrants of the city. The OTR states that when "it is determined [that] if the purchase price of each individual property was not discounted due to a bulk sale, then the sale of these properties may be considered [as an indication of market value]." In this case, the Petitioner's allocation of values based on the bulk sale appears unreasonable and non-compelling. The Commission considered the income analysis by both parties, as well as the list of comparable sales provided by OTR, and does not find the value produced by the Petitioner to be representative of the market value. The Commission sustains the 2013 Tax Year assessment.

COMMISSIONER SIGNATURES

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Frank Sanders

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FURTHER APPEAL PROCEDURES

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Date: January 7, 2013

Legal Description of Property

Square: 2947 Lot: 0094

Property Address: 6666 Georgia Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	813,700	Land	813,700
Building	491,200	Building	491,200
Total	\$ 1,304,900	Total	\$ 1,304,900

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their estimated market values. The issue presented by the Petitioner is that the subject property was sold November 30, 2011, and that "the arms-length purchase price of the subject is the best indication of the value as of January 1, 2012. (See *Levy v. D.C.*)" The OTR states that the subject property was part of a portfolio sale (bulk sale) with five other properties spread throughout NW and NE quadrants of the city. The OTR states that when "it is determined [that] if the purchase price of each individual property was not discounted due to a bulk sale, then the sale of these properties may be considered [as an indication of market value]." In this case, the Petitioner's allocation of values based on the bulk sale appears unreasonable and non-compelling. The Commission considered the income analysis by both parties, as well as the list of comparable sales provided by OTR, and does not find the value produced by the Petitioner to be representative of the market value. The Commission sustains the 2013 Tax Year assessment.

COMMISSIONER SIGNATURES

Gregory Syphax

Frank Sanders
FURTHER APPEAL PROCEDURES

Cliftine Jones

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Date: January 7, 2013

Legal Description of Property

Square: 2947 Lot: 0095

Property Address: 6660 Georgia Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	358,050	Land	358,050
Building	876,450	Building	876,450
Total	\$ 1,234,500	Total	\$ 1,234,500

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their estimated market values. The issue presented by the Petitioner is that the subject property was sold November 30, 2011, and that "the arms-length purchase price of the subject is the best indication of the value as of January 1, 2012. (See *Levy v. D.C.*)" The OTR states that the subject property was part of a portfolio sale (bulk sale) with five other properties spread throughout NW and NE quadrants of the city. The OTR states that when "it is determined [that] if the purchase price of each individual property was not discounted due to a bulk sale, then the sale of these properties may be considered [as an indication of market value]." In this case, the Petitioner's allocation of values based on the bulk sale appears unreasonable and non-compelling. The Commission considered the income analysis by both parties, as well as the list of comparable sales provided by OTR, and does not find the value produced by the Petitioner to be representative of the market value. The Commission sustains the 2013 Tax Year assessment.

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FURTHER APPEAL PROCEDURES

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Date: January 7, 2013

Legal Description of Property

Square: 2947 Lot: 0096

Property Address: 6656 Georgia Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	849,650	Land	849,650
Building	371,050	Building	371,050
Total	\$ 1,220,700	Total	\$ 1,220,700

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their estimated market values. The issue presented by the Petitioner is that the subject property was sold November 30, 2011, and that "the arms-length purchase price of the subject is the best indication of the value as of January 1, 2012. (See *Levy v. D.C.*)" The OTR states that the subject property was part of a portfolio sale (bulk sale) with five other properties spread throughout NW and NE quadrants of the city. The OTR states that when "it is determined [that] if the purchase price of each individual property was not discounted due to a bulk sale, then the sale of these properties may be considered [as an indication of market value]." In this case, the Petitioner's allocation of values based on the bulk sale appears unreasonable and non-compelling. The Commission considered the income analysis by both parties, as well as the list of comparable sales provided by OTR, and does not find the value produced by the Petitioner to be representative of the market value. The Commission sustains the 2013 Tax Year assessment.

COMMISSIONER SIGNATURES

Gregory Syphax

Frank Sanders
FURTHER APPEAL PROCEDURES

Cliftine Jones

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



Real Property Tax Appeals Commission

IN ACCORDANCE WITH Section 47.825.1 of the District of Columbia Statutes you Are hereby notified of your assessment for the current year **2013** as finalized by the Real Property Tax Appeals Commission for the property described. If YOU WISH TO APPEAL THIS ASSESSMENT FURTHER, SEE THE INFORMATION BELOW

Date: January 7, 2013

Legal Description of Property

Square: 2947 Lot: 0097

Property Address: 6650 Georgia Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	367,900	Land	367,900
Building	785,500	Building	785,500
Total	\$ 1,153,400	Total	\$ 1,153,400

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their estimated market values. The issue presented by the Petitioner is that the subject property was sold November 30, 2011, and that “the arms-length purchase price of the subject is the best indication of the value as of January 1, 2012. (See *Levy v. D.C.*)” The OTR states that the subject property was part of a portfolio sale (bulk sale) with five other properties spread throughout NW and NE quadrants of the city. The OTR states that when “it is determined [that] if the purchase price of each individual property was not discounted due to a bulk sale, then the sale of these properties may be considered [as an indication of market value].” In this case, the Petitioner’s allocation of values based on the bulk sale appears unreasonable and non-compelling. The Commission considered the income analysis by both parties, as well as the list of comparable sales provided by OTR, and does not find the value produced by the Petitioner to be representative of the market value. The Commission sustains the 2013 Tax Year assessment.

COMMISSIONER SIGNATURES

Gregory Syphax

Frank Sanders

Cliftine Jones

FURTHER APPEAL PROCEDURES

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Date: January 7, 2013

Legal Description of Property

Square: 2967 Lot: 0077

Property Address: 3305 8th Street NE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	1,378,420	Land	1,378,420
Building	4,644,980	Building	4,644,980
Total	\$ 6,023,400	Total	\$ 6,023,400

Rationale: The subject property is 96 unit rental apartment building located across the street from Walter Reed Medical Center in Brightwood. The appeal is based on the income approach to value. The Petitioner’s argument is based on the following six claims: (1) the actual and stabilized net operating income (NOI) used by OTR does not support the assessment; (2) the property suffers from a high vacancy rate due to the recent closing of Walter Reed Medical Center; (3) the property owner pays all utilities for the building and costs have escalated operating expenses above what the Office of Tax and Revenue (OTR) reports; (4) the subject is under rent controls; (5) structural repairs/capital improvements are needed; (6) the cap rate used by the OTR is too low.

The Commission has reviewed each of these claims and finds that the OTR’s revised worksheet analyze the subject property’s NOI by using the actual income and expenses as reported by the property owner on the Tax Year 2013 Income and Expense forms. The only significant difference between the Petitioner’s valuation and that submitted by the OTR is the capitalization rate.

The Petitioner states that the cap rate used in their analysis was taken from the high end of the Class “B” apartment building study by Delta Associates. The rate used by the OTR falls within the mid-range of the Delta study. The Petitioner therefore fails to show by a preponderance of the evidence that the capitalization rate used by the OTR is unreasonable or erroneous. The Commission hereby sustains the assessment for Tax Year 2013.

COMMISSIONER SIGNATURES

Gregory Syphax

Cliftine Jones

Frank Sanders

FURTHER APPEAL PROCEDURES

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Date: January 7, 2013

Legal Description of Property

Square: 2790 Lot: 0812

Property Address: 1339 Fort Stevens Drive NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	2,178,450	Land	2,178,450
Building	1,901,350	Building	1,901,350
Total	\$ 4,079,800	Total	\$ 4,079,800

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their estimated market values. The issue presented by the Petitioner is that the subject property was sold November 30, 2011, and that "the arms-length purchase price of the subject is the best indication of the value as of January 1, 2012. (See *Levy v. D.C.*)." The OTR states that the subject property was part of a portfolio sale (bulk sale) with five other properties spread throughout NW and NE quadrants of the city. The OTR states that when "it is determined [that] if the purchase price of each individual property was not discounted due to a bulk sale, then the sale of these properties may be considered [as an indication of market value]." In this case, the Petitioner's allocation of values based on the bulk sale appears unreasonable and non-compelling. The Commission considered the income analysis by both parties as well as the list of comparable sales provided by OTR, and does not find the value produced by the Petitioner to be representative of the market value. The Commission sustains the 2013 Tax Year assessment.

COMMISSIONER SIGNATURES

Gregory Syphax

Frank Sanders

Cliftine Jones

FURTHER APPEAL PROCEDURES

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Real Property Tax Appeals Commission

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Date: January 18, 2013

Legal Description of Property

Square: 2970 Lot: 0092

Property Address: 6711 Georgia Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	1,125,790	Land	1,125,790
Building	1,997,090	Building	1,729,630
Total	\$ 3,122,880	Total	\$ 2,855,420

Rationale:

The subject is a 72-room Motel 6 located at Upper Georgia Avenue. The Motel has an 80% occupancy rate during the valuation period. The Petitioner argues that this is a neighborhood economy motel that is facing additional risk due to the pending move of the nearby Walter Reed Hospital.

The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their values. The issues presented by the Petitioner were reserve for short term building replacements, management fee and capitalization rate. The Assessor has utilized a market abstracted reserve for short term building replacements and management fee abstracted from market data, primarily reported income and expense data of competing properties. OTR's cap rate is an economy derived loaded cap rate. The Commission has reviewed the submissions by both parties and has put equal weight to both analyses and finds that adjustments are needed. The Commission finds that after the above referenced adjustments are made a reduction in the proposed 2013 Tax Year is warranted.

COMMISSIONER SIGNATURES

Karla Christensen

Gregory Syphax

May Chan

FURTHER APPEAL PROCEDURES

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Real Property Tax Appeals Commission

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BELOW

Date: November 20, 2012

Legal Description of Property

Square: 3592 Lot: 0802

Property Address: 1345 4th Street NE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	1,923,600	Land	807,910
Building	1,012,920	Building	1,983,440
Total	\$ 2,936,520	Total	\$ 2,791,350

Rationale:

Pursuant to DC Code 47-825.01a(c)(1)(B), the Stipulation Agreement entered into by the Office of Tax and Revenue and the Petitioner is accepted. The Stipulation Agreement resolves the matter of the Tax Year 2013 appeal.

COMMISSIONER SIGNATURE


Richard Amato, Esq.

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
 OFFICE OF THE CHIEF FINANCIAL OFFICER
 OFFICE OF TAX AND REVENUE
 REAL PROPERTY TAX ADMINISTRATION



RECEIVED
 OCT 25 2012
 REAL PROPERTY TAX
 APPEALS COMMISSION
 802

RPTAC ASSESSMENT STIPULATION FORM

Square	3592	Suffix		Lot (s)	
Property Address	1345 4 th St NE				
Petitioner	NYA4 Associates LLC				

STIPULATION AGREEMENT

IT IS HEREBY AGREED BY AND BETWEEN THE PETITIONER AND THE DISTRICT OF COLUMBIA THAT IN ORDER TO EXPEDITIOUSLY SETTLE THIS MATTER, EACH PARTY AGREES TO STIPULATE TO THE ESTIMATED MARKET VALUE FOR THE SUBJECT PROPERTY FOR TAX YEAR 2013 AS FOLLOWS:

	PROPOSED ASSESSED VALUE (Assessed value after First Level)	STIPULATED ASSESSED VALUE
LAND	1,923,600	807,910
IMPROVEMENTS	1,012,920	1,983,440
TOTAL	2,936,520	2,791,350

STIPULATED PERCENTAGE CHANGE: 4.9 % STIPULATED VALUE CHANGE \$ 145,170

JUSTIFICATION: The income reported by the owner is reviewed and an income worksheet is developed arriving at a total value of \$2,791,350 with a rate of \$84,586 per room. The land rate is also reviewed considering market rates and location. Based on that study, the FAR rate is reduced from \$50 to \$21 per point FAR for a new land value of \$807,910 and the building value at \$1,983,440 to be applied for TY 2013.

BY ENTERING INTO THIS STIPULATION AGREEMENT, THE PARTIES AGREE THAT UPON ACCEPTANCE BY THE PARTIES AND THE REAL PROPERTY TAX APPEALS COMMISSION'S ADOPTION OF THE PARTIES' STIPULATED ASSESSMENT, THAT VALUE SHALL BECOME THE ASSESSED VALUE AND NEITHER PARTY, ITS HEIRS, ASSIGNS OR SUCCESSORS SHALL CONTEST THIS VALUE IN FURTHER HEARINGS BEFORE THE REAL PROPERTY TAX APPEALS COMMISSION OR APPEAL SUCH VALUE TO ANY COURT.

FOR THE DISTRICT OF COLUMBIA:

APPRaiser:

Graig Jones

Date: 10/16/12

SUPERVISORY APPRAISER:

Estelle Wainio

Date: 10/17/12

(All stipulations, Gen. Com. stipulations must originate with Supervisory Appraiser for changes greater than 25% or over \$4 million. Major Commercial stipulations must originate with Supervisory Appraiser for changes greater than 25% or over \$12 million.)

APPEALS & LITIGATION MANAGER/

RESIDENTIAL MANAGER:

Appeals & Litigation Manager (Commercial properties where value change is greater than 10% or over \$5 million.)
 Residential Manager (All stipulations)

Date: _____

CHIEF APPRAISER:

(Properties where value change is greater than 20% for Residential; greater than 20% or over \$4 million for Gen. Com. greater than 20% or over \$12 million for Major Commercial.)

Date: _____

DIRECTOR:

(Properties where value change is greater than 30% or over \$20 million.)

Date: _____

FOR THE PETITIONER:

OWNER/AGENT:

Steph D. Brown II

Date: 10/22/12

AGENT'S COMPANY NAME:

Ryan LLC



Real Property Tax Appeals Commission

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Date: January 22, 2013

Legal Description of Property

Square: 3594 Lot: 0004

Property Address: 501 New York Avenue NE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	5,942,400	Land	2,495,810
Building	2,319,040	Building	4,042,545
Total	\$ 8,261,440	Total	\$ 6,538,355

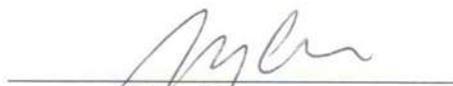
Rationale:

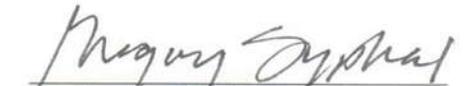
The subject property is a 79 room motel situated on 36,616 sq. ft. lot zoned C-M-1. The property is located in the Brentwood area of the city. The Petitioner appeals the proposed assessment based on property damage/condition; disputed property record; equalization; valuation; and classification. The Real Property Tax Appeals Commission (RPTAC) reviewed the submissions by the Office of Tax and Revenue (OTR) and the Petitioner and listened to arguments from both parties. The Petitioner claims that the OTR incorrectly valued the subject using the cost approach. However, prior to the RPTAC hearing, OTR developed a pro-forma income analysis for the subject property and gave a new recommended value of \$6,779,250 based on the results of an income approach analysis.

The Assessor has taken into account most of the Petitioner's concerns and has provided a Historical Statement of Operation. The main differences between the Petitioner's and the Assessor's analysis is in the estimates for reserves for replacement, marketing, administrative/general expenses, and capitalization rate (at the hearing, the Assessor acknowledged that his capitalization rate is on the high side). The Petitioner's estimate for administrative/general expenses appears unusually high (46% increase over last year's cost) which was not explained at the hearing. The Commission considered the evidence and made an adjustment to the Assessor's capitalization rate (using the Petitioner's cap rate) which rendered a further reduction to the Assessor's recommended value for Tax Year 2013.

COMMISSIONER SIGNATURES


Karla Christensen


May Chan


Gregory Syphax

FURTHER APPEAL PROCEDURES

Petitioners have the right to appeal from an adverse decision of the Commission to the Superior Court of the District of Columbia under the applicable provisions of the D.C. Code. Appeals to Superior Court must be filed no later than September 30th of the same year. In order to file an appeal with the D.C. Superior Court, petitioners must pay full year taxes to the Office of Tax and Revenue.



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BELOW

Date: January 3, 2013

Legal Description of Property

Square: 3636 Lot: 0005

Property Address: 711 Edgewood Street NE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	2,654,500	Land	2,654,500
Building	7,411,460	Building	7,411,460
Total	\$ 10,065,960	Total	\$ 10,065,960

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The subject property is a warehouse that was converted into a school when it was renovated in 2007. The Petitioner argues that the property should be valued based upon the income approach to value and offers income and expense forms to support it analysis. The Office of Tax and Revenue (OTR) argues that the subject is a special purpose property with higher quality construction than a warehouse containing HVAC, plumbing, electrical, bathrooms, and more improvements. The Commission finds that the suggestion of an alternative method of valuation is not a preponderance of evidence to prove that the assessment proposed by OTR is incorrect. Therefore, the Commission sustains the 2013 Tax Year proposed assessment.

COMMISSIONER SIGNATURES

Frank Sanders

Cliftine Jones

Donald Isaac

FURTHER APPEAL PROCEDURES

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BELOW

Date: January 7, 2013

Legal Description of Property

Square: 3642 Lot: 0046

Property Address: 641 Hamlin Street NE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	182,280	Land	182,280
Building	153,520	Building	153,520
Total	\$ 335,800	Total	\$ 335,800

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their estimated market values. The issue presented by the Petitioner is that the subject property was sold November 30, 2011, and that "the arms-length purchase price of the subject is the best indication of the value as of January 1, 2012. (See *Levy v. D.C.*)" The OTR states that the subject property was part of a portfolio sale (bulk sale) with five other properties spread throughout NW and NE quadrants of the city. The OTR states that when "it is determined [that] if the purchase price of each individual property was not discounted due to a bulk sale, then the sale of these properties may be considered [as an indication of market value]." In this case, the Petitioner's allocation of values based on the bulk sale appears unreasonable and non-compelling. The Commission considered the income analysis presented by both parties and does not find the value produced by the Petitioner to be representative of the market value. The Commission sustains the 2013 Tax Year assessment.

COMMISSIONER SIGNATURES

Gregory Syphax

Frank Sanders

Clifline Jones

FURTHER APPEAL PROCEDURES

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Date: January 7, 2013

Legal Description of Property

Square: 3642 Lot: 0047

Property Address: 643 Hamlin Street NE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	132,840	Land	132,840
Building	314,960	Building	314,960
Total	\$ 447,800	Total	\$ 447,800

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining an estimated market value for the subject property as of January 1, 2012 (for Tax Year 2013). The basis of the appeal is valuation. The Petitioner and the Office of Tax and Revenue (OTR) both presented income analyses to support their estimated market values. The issue presented by the Petitioner is that the subject property was sold November 30, 2011, and that "the arms-length purchase price of the subject is the best indication of the value as of January 1, 2012. (See *Levy v. D.C.*)" The OTR states that the subject property was part of a portfolio sale (bulk sale) with five other properties spread throughout NW and NE quadrants of the city. The OTR states that when "it is determined [that] if the purchase price of each individual property was not discounted due to a bulk sale, then the sale of these properties may be considered [as an indication of market value]." In this case, the Petitioner's allocation of values based on the bulk sale appears unreasonable and non-compelling. The Commission considered the income analysis presented by both parties and does not find the value produced by the Petitioner to be representative of the market value. The Commission sustains the 2013 Tax Year assessment.

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Date: January 7, 2013

Legal Description of Property

Square: 3642 Lot: 0048

Property Address: 2920 7th Street NE

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	220,080	Land	220,080
Building	82,120	Building	82,120
Total	\$ 302,200	Total	\$ 302,200

Rationale:

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