



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 30, 2013

Legal Description of Property

Square: 0024 Lot: 0870

Property Address: 2401 M Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	64,556,800	Land	64,556,800
Building	45,587,730	Building	45,587,730
Total	\$ 110,144,530	Total	\$ 110,144,530

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 27, 2012. The subject is a 415-room luxury hotel. The Petitioner argues that OTR does not properly account for the miscellaneous expenses, cost of trade, capitalization rate and cost to cure. OTR argues that the hotel's quality class supports the capitalization rate used and that it is in line with comparable hotels. In addition, OTR argues that no additional reduction should be allocated for the exorbitant capital expenditure sought by the Petitioner "unless associated increase in room revenue is provided to prove increment in value outweigh cost." The Assessor completed a new worksheet using actual income and expense for the RPTAC appeal; he arrived at a value above the Tax Year 2013 assessed value. The Commission finds that, even after adjusting the miscellaneous expenses and increasing the cost of trade rate, the resulting value is still above the proposed Tax Year 2013 assessment. The Commission finds OTR's income and expense analysis to be reasonable and to adequately account for the conditions affecting the property. The Petitioner failed to establish by a preponderance of the evidence that OTR erred in its analysis; therefore, the proposed Tax Year 2013 assessment is sustained.

COMMISSIONER SIGNATURES

May Chan

Richard Amato, Esq.

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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Date: January 23, 2013

Legal Description of Property

Square: 0025 Lot: 2370

Property Address: 2425 L Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	1,556,500	Land	1,556,500
Building	4,360,000	Building	4,360,000
Total	\$ 5,916,500	Total	\$ 5,916,500

Rationale:

The subject property consists of four commercial retail condominium units located at the Columbia Condominium complex in the "West End" of the Downtown CBD. The subject units contain a total of 22,812 sq. ft. of Net Rentable Area (NRA) and are rented and operated as one economic unit. The Petitioner's appeal was submitted on the bases of property damage/condition, disputed property record, equalization, and valuation, however the only argument presented at the hearing at RPTAC was on the issue of valuation.

The Petitioner presents an Income Approach analysis to support a total estimated value for the subject property at \$4,974,508. The Petitioner indicates that the main issues are the calculation of Net Operating Income (NOI) and Capitalization Rate. The Petitioner claims that the analysis uses actual rents of all four tenants to arrive at the Potential Gross Income (PGI). However, the rent of the most recent lease (reportedly signed 8/26/2011) is not shown on the Petitioner's Income & Expense form as required by law and no supporting evidence was provided at the hearing to verify the actual rent. The Assessor for the Office of Tax & Revenue (OTR) therefore estimated the market rent for that space and derived a Net Operating Income (NOI) higher than that of the Petitioner.

The Petitioner's estimated capitalization rate is based on a Band of Investment analysis and data extracted from Cap Rate Surveys published by the American Council of Life Insurers, Real Estate Research Corp., and PWC Korpacz Real Estate Investor survey. However, the Petitioner's reference to published cap rate surveys as a method to prove that OTR's cap rate is too low is not an accurate way to measure OTR's cap rate. The cap rate utilized by the OTR is derived in a manner that takes into consideration investor lease-up costs and/or capital expenditures which are not taken into account by published surveys. These costs are projected and discounted to their present value, and then credited to the property. OTR's accounting for these anticipated costs reduces the risk to the typical investor and therefore calculates to a lower capitalization rate than what would be typically shown by surveys.

Square: 0025

Lot: 2370

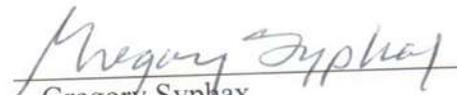
Property Address: 2425 L Street NW

In the opinion of the Commission, the Petitioner fails to show by a preponderance of the evidence that the proposed assessment by the Office of Tax & Revenue is erroneous. The assessment for TY 2013 is thereby sustained.

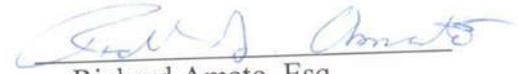
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Gregory Syphax



Richard Amato, Esq.

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Date: January 23, 2013

Legal Description of Property

Square: 0025 Lot: 2371

Property Address: 2425 L Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	1,123,540	Land	1,123,540
Building	2,290,460	Building	2,290,460
Total	\$ 3,414,000	Total	\$ 3,414,000

Rationale:

The subject property consists of four commercial retail condominium units located at the Columbia Condominium complex in the "West End" of the Downtown CBD. The subject units contain a total of 22,812 sq. ft. of Net Rentable Area (NRA) and are rented and operated as one economic unit. The Petitioner's appeal was submitted on the bases of property damage/condition, disputed property record, equalization, and valuation, however the only argument presented at the hearing at RPTAC was on the issue of valuation.

The Petitioner presents an Income Approach analysis to support a total estimated value for the subject property at \$4,974,508. The Petitioner indicates that the main issues are the calculation of Net Operating Income (NOI) and Capitalization Rate. The Petitioner claims that the analysis uses actual rents of all four tenants to arrive at the Potential Gross Income (PGI). However, the rent of the most recent lease (reportedly signed 8/26/2011) is not shown on the Petitioner's Income & Expense form as required by law and no supporting evidence was provided at the hearing to verify the actual rent. The Assessor for the Office of Tax & Revenue (OTR) therefore estimated the market rent for that space and derived a Net Operating Income (NOI) higher than that of the Petitioner.

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Lot: 2371

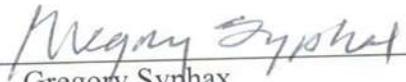
Property Address: 2425 L Street NW

In the opinion of the Commission, the Petitioner fails to show by a preponderance of the evidence that the proposed assessment by the Office of Tax & Revenue is erroneous. The assessment for TY 2013 is thereby sustained.

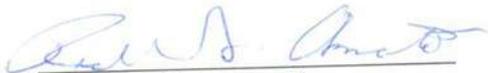
COMMISSIONER SIGNATURES



May Chan



Gregory Syphax



Richard Amato, Esq.

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Legal Description of Property

Square: 0025 Lot: 2372

Property Address: 2425 L Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	344,590	Land	344,590
Building	786,410	Building	786,410
Total	\$ 1,131,000	Total	\$ 1,131,000

Rationale:

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Lot: 2372

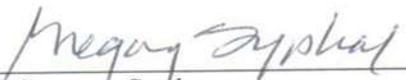
Property Address: 2425 L Street NW

In the opinion of the Commission, the Petitioner fails to show by a preponderance of the evidence that the proposed assessment by the Office of Tax & Revenue is erroneous. The assessment for TY 2013 is thereby sustained.

COMMISSIONER SIGNATURES



May Chan



Gregory Syphax



Richard Amato, Esq.

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Date: January 23, 2013

Legal Description of Property

Square: 0025 Lot: 2373

Property Address: 2425 L Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	273,710	Land	273,710
Building	670,790	Building	670,790
Total	\$ 944,500	Total	\$ 944,500

Rationale:

The subject property consists of four commercial retail condominium units located at the Columbia Condominium complex in the "West End" of the Downtown CBD. The subject units contain a total of 22,812 sq. ft. of Net Rentable Area (NRA) and are rented and operated as one economic unit. The Petitioner's appeal was submitted on the bases of property damage/condition, disputed property record, equalization, and valuation, however the only argument presented at the hearing at RPTAC was on the issue of valuation.

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Square: 0025

Lot: 2373

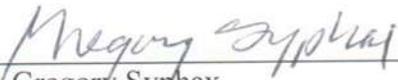
Property Address: 2425 L Street NW

In the opinion of the Commission, the Petitioner fails to show by a preponderance of the evidence that the proposed assessment by the Office of Tax & Revenue is erroneous. The assessment for TY 2013 is thereby sustained.

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May Chan



Gregory Syphax



Richard Amato, Esq.

FURTHER APPEAL PROCEDURES

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Date: January 31, 2013

Legal Description of Property

Square: 0139 Lot: 0810

Property Address: 1200 18th Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	36,662,400	Land	34,002,660
Building	1,075,360	Building	997,340
Total	\$ 37,737,760	Total	\$ 35,000,000

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

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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	139	Suffix		Lot (s)	810
Property Address	1200 18 TH Street NW				
Petitioner	Ring 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	\$36,662,400	\$34,002,660
IMPROVEMENTS	\$1,075,360	\$997,340
TOTAL	\$37,737,760	\$35,000,000

STIPULATED PERCENTAGE CHANGE: -7.25 % STIPULATED VALUE CHANGE \$ 2,737,760

JUSTIFICATION: For Tax Year 2013 OTR reviewed the property based on the income approach based on the specifics of the subject property the market office and retail rents were decreased and the capitalization increased.

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: _____

D. Atayem Paul

Date: 1/24/13

SUPERVISORY APPRAISER: _____

[Signature]

Date: 1/24/13

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: _____

[Signature]

Date: 1/23/13

AGENT'S COMPANY NAME: _____

Wilkes A.T.S



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Date: January 22, 2013

Legal Description of Property

Square: 0139 Lot: 0816

Property Address: 1250 Connecticut Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	47,872,800	Land	47,872,800
Building	25,533,400	Building	25,533,400
Total	\$ 73,406,200	Total	\$ 73,406,200

Rationale:

The subject is a multi-tenanted office building that was constructed in 1964 and renovated in 1994. The Petitioner raises the following issues in this appeal: recognition of below grade office square footage, below grade rent, market office rent imputed to conference and fitness space, retail rent, vacancy rate, expenses, vacate probability, and tenant improvements. After reviewing the income and expense forms for Tax Year 2013, OTR addressed the following issues prior to the RPTAC hearing: recognition of below grade office square footage, below grade rent, retail rent, vacancy rate, expenses, and vacate probability. Following the Petitioner’s testimony at the RPTAC hearing, OTR was persuaded that the conference and fitness center space square footage should not be imputed a rent rate and also that the tenant improvements should be increased. These changes resulted in a new OTR value of \$71,002,590, which is within 5% of the proposed assessment. The Petitioner also explained that OTR had incorrectly included late fees in the other income figure used in OTR’s analysis. The Commission agrees with this argument and removed late fees from other income. However, the new value is still within 5% of the proposed assessment, and therefore does not meet the five percent rule in D.C. Official Code § 47-825.01a(e)(C)(ii)(2012 Supp.). This code provision only authorizes the Commission 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. Therefore, the proposed 2013 Tax Year assessment is sustained.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Frank Sanders

Andrew Dorchester

FURTHER APPEAL PROCEDURES

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Date: January 16, 2013

Legal Description of Property			
Square: 0161 Lot: 0038			
Property Address: 1150 Connecticut Avenue NW			
ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	36,283,200	Land	36,283,200
Building	46,788,270	Building	38,758,970
Total	\$ 83,071,470	Total	\$ 75,042,170

Rationale:

The subject is a multi-tenanted office building constructed in 1975. The Petitioner raises the following issues in this appeal: retail market rent, recognition of below grade retail space and below grade retail rent, expenses, vacancy rate, parking income, and capitalization rate. After reviewing the updated income and expense information for Tax Year 2013, OTR addressed the following issues prior to the RPTAC hearing: retail market rent, below grade retail space and rent, expenses, vacancy rate, and parking income. The changes resulted in a new OTR recommended value of \$75,042,170. The remaining disputed issue is capitalization rate and the Petitioner failed to establish by a preponderance of the evidence that OTR erred in its analysis as to this issue.

The Commission accepts OTR's new recommended value of \$75,042,170. Therefore, the proposed assessment is reduced.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Frank Sanders

Andrew Dorchester

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Date: January 16, 2013

Legal Description of Property

Square: 0182 N Lot: 0011

Property Address: 1615 Rhode Island Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	10,065,230	Land	10,065,230
Building	27,753,210	Building	27,753,210
Total	\$ 37,818,440	Total	\$ 37,818,440

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 bases of the appeal are equalization and valuation. The Petitioner presented no evidence for the claim of equalization. The subject property is the Beacon Hotel. The Petitioner raises the following issues in this appeal: total revenue, expense deduction, and capitalization rate. The Petitioner failed to demonstrate by a preponderance of the evidence that OTR erred in its capitalization rate analysis. Prior to the RPTAC hearing, the OTR Assessor made adjustments to the total revenue and the expense deduction after his review of the income and expense forms for Tax Year 2013. The adjustments resulted in a new OTR value of \$36,676,540, however the resulting new value does not meet the 5% rule contained in D.C. Official Code §47-825.01 a(e)(4)(C)(ii)(2012 Supp.). This code provision only authorizes the Commission 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. See *1776 K Street Associates v. District of Columbia*, 446 A.2d 1114, 1116 (D.C. 1982). The Tax Year 2013 proposed assessment is sustained.

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Frank Sanders

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Date: January 31, 2013

Legal Description of Property

Square: 0198 Lot: 0039

Property Address: 1001 16th Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	73,932,380	Land	73,932,380
Building	58,162,160	Building	58,162,160
Total	\$ 132,094,540	Total	\$ 132,094,540

Rationale:

The Real Property Tax Appeals Commission (RPTAC) reviewed submissions by the Office of Tax and Revenue (OTR) and the Petitioner and listened to the arguments from both parties at a hearing on November 27, 2012. The subject is a 544-room full service hotel with 30,000 sq. ft. of function space that has recently undergone extensive renovations. The Petitioner argues that OTR lowered the depreciated value of FF&E and the rate of return of FF&E from their original value without explanation. The Petitioner further argues that the cost of trade should be calculated based on all income instead of room revenue only and that OTR does not properly account for the capitalization rate and cost to cure. OTR argues that the value on the replacement cost new of FF&E per room for this type of hotel is fair and the hotel's quality class supports the capitalization rate used and that it is in line with comparable hotels. At the hearing the Assessor conceded, after a review of the capital expenditures provided by the Petitioner, that they should be allowed even though the hotel recently completed a renovation. OTR's calculation of cost of trade based on room revenue is supported by the method (Rushmore) generally utilized by OTR. The Assessor completed a new worksheet using actual income and expense for the RPTAC appeal; he arrived at a value above the Tax Year 2013 assessed value. The Commission finds OTR's income and expense analysis to be reasonable and to adequately account for the conditions affecting the property. The Petitioner failed to establish by a preponderance of the evidence the OTR erred in its analysis; therefore, the proposed Tax Year 2013 assessment is sustained.

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Date: January 14, 2013

Legal Description of Property

Square: 0287 Lot: 0813

Property Address: 1212 New York Avenue, NW

		FINAL ASSESSMENT	
Land	\$ 18,028,500	Land	\$ 18,028,500
Building	\$ 20,667,070	Building	\$ 13,881,449
Total	\$ 38,695,570	Total	\$ 31,909,949

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 Petitioner raises the following issues in this appeal: office rent, expense allowance, and capitalization rate. The Commission has reviewed the documentation provided by both parties and has increased the expense allowance. However, the Commission finds that the Petitioner failed to demonstrate by a preponderance of the evidence that the Office of Tax and Revenue (OTR) erred in its office rent and capitalization rate analysis. After making the above-referenced adjustments, the Commission finds that a reduction in the 2013 tax year proposed assessment is warranted.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Andrew Dorchester

Frank Sanders

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 47.825.1 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: 0288		Lot: 0058	
Property Address: 1250 H Street NW			
ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	40,727,070	Land	40,727,070
Building	44,869,250	Building	36,514,727
Total	\$ 85,596,320	Total	\$ 77,241,797

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 bases of the appeal are equalization and valuation. The Petitioner presented no evidence for the claim of equalization. The Petitioner raises the following issues in this appeal: office rent, expense allowance, capital expenditures, vacate probability, and capitalization rate. The Petitioner argues that the Office of Tax and Revenue’s (OTR) office rent is not supported based on recent building leases. The Petitioner also contends that the building is experiencing high vacancy and therefore the expense allowance must be increased to reflect stabilization. The Petitioner also testified that capital expenditures should be considered by OTR, and that the vacate probability and capitalization rate should be increased. The Commission has reviewed the documentation provide by both parties. The Commission has lowered the office rent and included capital expenditures. The Commission finds that the Petitioner failed to demonstrate by a preponderance of the evidence that OTR erred in its vacate probability, expenses, and capitalization rate. The Commission has made the above-referenced adjustments and finds that a reduction in the proposed a2013 Tax Year assessment is warranted.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.,

Frank Sanders

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 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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BELOW

Date: January 18, 2013

Legal Description of Property

Square: 0289 Lot: 0831

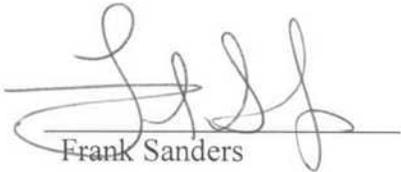
Property Address: 1200 G Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	39,264,000	Land	39,264,000
Building	38,737,530	Building	33,829,080
Total	\$ 78,001,530	Total	\$ 73,093,080

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining the estimated market value of the subject property as of January 1, 2012. The subject is a multi-tenanted office building that was constructed in 1991. The Petitioner raises the following issues in this appeal: capital expenditures, other income, vacate probability, and capitalization rate. The Commission has reviewed the income and expense documentation submitted by the Petitioner and the other documentation provided by the parties. The Commission does not find any other income reported on the income and expense forms to support the other income included in OTR's analysis. The Commission finds that capital expenditures should be considered in this case. However, the Petitioner failed to demonstrate by a preponderance of the evidence that OTR erred in its analysis regarding the vacate probability. The Commission has removed the other income and adjusted the capitalization rate to equalize the subject property with comparable properties in the area. The Commission finds that a reduction in the proposed 2013 Tax Year assessment is warranted.

COMMISSIONER SIGNATURES


Frank Sanders


Hillary Lovick, Esq.


Andrew Dorchester
Dissent

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: 0289 Lot: 0831

Property Address: 1200 G Street NW

DISSENTING OPINION

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	39,264,000	Land	39,264,000
Building	38,737,530	Building	33,829,080
Total	\$ 78,001,530	Total	\$ 73,093,080

Rationale:

The Real Property Tax Appeals Commission (RPTAC) is charged with determining the estimated market value of the subject property as of January 1, 2012. The subject is a multi-tenanted office building that was constructed in 1991. The Petitioner raises the following issues in this appeal: capital expenditures, other income, vacate probability, and capitalization rate. The RPTAC has reviewed the income and expense documentation submitted by the Petitioner and the other documentation provided by the parties. The RPTAC does not find any other income reported on the income and expense forms to support the income included in OTR's analysis. The RPTAC finds that capital expenditures should be considered in this case. However, the Petitioner failed to demonstrate by a preponderance of the evidence that the Office of Tax & Revenue (OTR) erred in its analysis regarding vacate probability.

The principle of equalization is based on the notion that equal properties must be assessed in an equal manner. For two properties to be equal, among other requirements, they must share an equal location, equal condition, equal use, and equal traits. The Petitioner has not shown by a preponderance of the evidence the equality of the subject to comparable properties that OTR has assigned different capitalization rates to. The presentation of an OTR worksheet does not meet the necessary requirements of proving equality between properties. OTR may have erred in its capitalization rate selection in this case, but the Petitioner has not submitted the evidence necessary to prove this.



Andrew Dorechester



Real Property Tax Appeals Commission

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Date: January 16, 2013

Legal Description of Property

Square: 0290 Lot: 0860

Property Address: 555 13th Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	16,862,000	Land	16,862,000
Building	44,878,780	Building	44,878,780
Total	\$ 61,740,780	Total	\$ 61,740,780

Rationale:

The subject is known as Columbia Square, an office building that was constructed in 1987. The Petitioner raises the following issues in this case: market rent imputed to management office space, vacancy rate, expenses, capital expenditures, tenant improvements, and capitalization rate. Prior to the RPTAC hearing, OTR addressed the following issues after reviewing the income and expense information for Tax Year 2013: increased the vacancy rate and increased the capital expenditures deduction. The Commission has reviewed the income and expense information and other documentation submitted by the parties. The Commission finds that the rent imputed to the management office space is supported based on the rent roll. The Commission finds OTR's expense allowance to be reasonable and supported by the income and expense forms. The Commission also finds OTR's tenant improvements and the resulting lease-up cost deduction to be reasonable and supported based on OTR's practice of using a five year lease-up projection in its analysis. Finally, the Commission finds OTR's capitalization rate to be reasonable. The Petitioner failed to establish by a preponderance of the evidence that OTR erred in its analysis to the rent imputed to the management office space, expenses, capitalization rate, and tenant improvements. The Commission sustains the proposed Tax Year 2013 assessment accordingly.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Frank Sanders

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 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 16, 2013

Legal Description of Property

Square: 0290 Lot: 0861

Property Address: F Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	101,554,000	Land	101,554,000
Building	262,503,680	Building	262,503,680
Total	\$ 364,057,680	Total	\$ 364,057,680

Rationale:

The subject is known as Columbia Square, an office building that was constructed in 1987. The Petitioner raises the following issues in this case: market rent imputed to management office space, vacancy rate, expenses, capital expenditures, tenant improvements, and capitalization rate. Prior to the RPTAC hearing, OTR addressed the following issues after reviewing the income and expense information for Tax Year 2013: increased the vacancy rate and increased the capital expenditures deduction. The Commission has reviewed the income and expense information and other documentation submitted by the parties. The Commission finds that the rent imputed to the management office space is supported based on the rent roll. The Commission finds OTR's expense allowance to be reasonable and supported by the income and expense forms. The Commission also finds OTR's tenant improvements and the resulting lease-up cost deduction to be reasonable and supported based on OTR's practice of using a five year lease-up projection in its analysis. Finally, the Commission finds OTR's capitalization rate to be reasonable. The Petitioner failed to establish by a preponderance of the evidence that OTR erred in its analysis to the rent imputed to the management office space, expenses, capitalization rate, and tenant improvements. The Commission sustains the proposed Tax Year 2013 assessment accordingly.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Frank Sanders

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 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: 0291 Lot: 0038

Property Address: 425 13th Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	37,586,000	Land	37,586,000
Building	67,805,400	Building	67,805,400
Total	\$ 105,391,400	Total	\$ 105,391,400

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. The subject is an office building. The Petitioner argues that the subject faces extreme releasing risk because two main tenants are vacating. The Petitioner raises the following issues: expenses, capital expenditures, vacate probability, tenant improvement deductions, and capitalization rate. The Commission has reviewed the income and expense forms provided by the Petitioner and the other documentation submitted by the parties. The Commission finds that the Petitioner failed to demonstrate by a preponderance of the evidence that OTR erred in its analysis as to the expenses, capital expenditures, vacate probability, tenant improvement deductions, and capitalization rate. Therefore, the Commission sustains the proposed Tax Year 2013 assessment.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Frank Sanders

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 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 16, 2013

Legal Description of Property

Square: 0316 Lot: 0032

Property Address: 1020 11th Street NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	61,557,300	Land	61,557,300
Building	40,816,880	Building	33,092,530
Total	\$ 102,374,180	Total	\$ 94,649,830

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. The subject is a multi-tenanted office building constructed in 1969. The Petitioner raises the following issues in this case: office rents, expenses, vacancy rate, parking income, lease growth rate, and capitalization rate. The Commission has reviewed the income and expense forms provided by the Petitioner and the other documentation submitted by both parties. The Commission has lowered the market office rent, removed the lease growth rate, increased the vacancy rate, and corrected the parking income to the figure indicated on the income and expense forms for Tax Year 2013. The Commission finds that the Petitioner failed to demonstrate by a preponderance of the evidence the OTR erred in its analysis as to the expenses and capitalization rate. The Commission has made the aforementioned changes and reduces the proposed Tax Year 2013 assessment accordingly.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Frank Sanders

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 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 17, 2013

Legal Description of Property

Square: 0316 Lot: 0035

Property Address: 1101 K Street NW

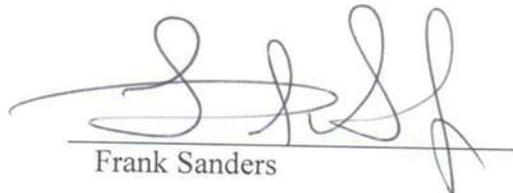
ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	48,054,600	Land	48,054,600
Building	149,558,380	Building	149,558,380
Total	\$ 197,612,980	Total	\$ 197,612,980

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 equalization. The Petitioner presented several issues; however during the valuation period on March 24, 2011, the subject sold for a price of \$199,000,000. The Commission finds that the property appears to have sold in an arms-length transaction. The Commission finds that the sales price is the best indication of value however the sales price falls within the five percent of the proposed assessment. The five percent rule contained in D.C. Official Code § 47-825.01a(e)(C)(ii)(2012 Supp.), only authorizes the Commission 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. See *1776 K Street Associates v District of Columbia*, 446 A.2d 1114, 1116 (D.C. 1982). The proposed assessment is sustained.

COMMISSIONER SIGNATURES


Hillary Lovick, Esq.


Frank Sanders


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 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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BELOW

Date: January 16, 2013

Legal Description of Property

Square: 0317 Lot: 0841

Property Address: 1101 New York Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	66,137,400	Land	66,137,400
Building	246,208,170	Building	220,365,420
Total	\$ 312,345,570	Total	\$ 286,502,820

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 bases of the appeal are equalization and valuation. The Petitioner presented no evidence for the claim of equalization. The Petitioner raises the following issues in this case: net rentable area, recognition of below grade office space, market office rent, storage income, vacancy rate, lease growth rate, lease-up cost deductions, and capitalization rate. The Commission has reviewed the income and expense information submitted by the Petitioner and the other documentation submitted by the parties. The Commission finds that the Petitioner failed to demonstrate by the preponderance of the evidence that the market office rent and capitalization rate imputed by the Office of Tax and Revenue (OTR) are incorrect. The Commission has reviewed the rent roll for Tax Year 2013 and finds that OTR imputed rents to the space on levels L1 and L2 that are consistent with the rent roll. The Petitioner failed to demonstrate that OTR erred in its recognition of L1 and L2 below grade space. The Commission has made the following adjustments: decreased the building's net rentable area; decreased the storage income to the figure reported on the income and expense forms for Tax Year 2013; increased the vacancy rate; removed the lease growth rate; and calculated the lease-up costs based on a five-year projection which is consistent with OTR's practice. The ten year lease-up costs projection used by the Petitioner in its analysis does not prove that OTR's five year projection is incorrect. After making these adjustments, the Commission finds that a reduction in the Tax Year 2013 assessment is warranted.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Frank Sanders

FURTHER APPEAL PROCEDURES

Andrew Dorchester

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 16, 2013

Legal Description of Property

Square: 0317 Lot: 0842

Property Address: New York Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	7,560,000	Land	7,560,000
Building	-0-	Building	-0-
Total	\$ 7,560,000	Total	\$ 7,560,000

Rationale:

The Petitioner is not challenging the assessment for the above-referenced property. The 2013 Tax Year proposed assessment is sustained.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Frank Sanders

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 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 16, 2013

Legal Description of Property

Square: 0318 Lot: 0032

Property Address: 1100 New York Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	111,212,000	Land	111,212,000
Building	126,315,420	Building	113,048,040
Total	\$ 237,527,420	Total	\$ 224,260,040

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 Petitioner raises the following issues: net rentable area, long-term contract rent, expenses, lease growth rate, capital expenditures, lease-up cost deductions, and capitalization rate. The Commission has reviewed the income and expense forms provided by the Petitioner and the other documentation submitted by the parties. During the hearing, the Petitioner noted that OTR incorrectly included a square footage twice in its lease-up cost analysis; the Commission has corrected this oversight. In addition, the Commission has made the following adjustments: lowered the net rentable area; lowered the long-term contract rent; included a capital expenditures deduction; removed the lease growth rate; and increase the vacancy rate. The Petitioner failed to demonstrate by a preponderance of the evidence the OTR erred in its expenses and cap rate. After making the above-reference adjustments, the proposed assessment is reduced.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Frank Sanders

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 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 16, 2013

Legal Description of Property

Square: 0322 Lot: 0020

Property Address: 1111 Pennsylvania Avenue NW

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	79,065,800	Land	79,065,800
Building	138,806,900	Building	138,806,900
Total	\$ 217,872,700	Total	\$ 217,872,700

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 equalization. The Petitioner presented several issues; however on October 8, 2010, the subject sold for a price of \$220,000,000. The Commission finds that the property appears to have sold in an arms-length market transaction. The Commission finds that the sales price is the best indication of value however the sales price falls within five percent of the proposed assessment. The five percent rule contained in D.C. Official Code § 47-825.01a(e)(C)(ii)(2012 Supp.), only authorizes the Commission 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. See *1776 K Street Associates v District of Columbia*, 446 A.2d 1114, 1116 (D.C. 1982). The proposed assessment is sustained.

COMMISSIONER SIGNATURES

Hillary Lovick, Esq.

Frank Sanders

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 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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Are hereby notified of your assessment for the current year **2013** as finalized by the
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BELOW

Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2004

Property Address: 565 Pennsylvania Avenue NW #301

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	270,270	Land	270,270
Building	630,630	Building	630,630
Total	\$ 900,900	Total	\$ 900,900

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

The Petitioner's Sales Comparison Approach utilizes sales of individual condo units from other condominium projects. The Commission rejects the comparisons due to the fact that the subject property, although a condominium, is assessed as a single economic unit rental building by the OTR. The OTR's policy is to refrain from assessing such properties as condominiums when they are held and operated as rental properties. These properties will only be assessed as condominiums when the project begins to sell the individual units as condominiums.

Although the Petitioner failed to provide the Assessor with the Income and Expense Report for 2013 (1/1/2011 to 12/31/2011), the Petitioner did provide, what appears to be, a full accounting of the property's operations for that calendar year with a signed affidavit (not notarized) by the Property Manager, Lindsey Zehner at Bozzuto Management Co. The Commission's review of the Petitioner's income analysis indicates that the Petitioner and the OTR are basically in agreement with their estimate of the property's Net Operating Income (NOI) since there is only a nominal difference between the two. Therefore, the only issue is the selection of the appropriate capitalization rate which should be used to convert the NOI into an estimate of value. In this matter, the Commission fully understands how the Petitioner developed his capitalization rate since it appears to be well supported by the Delta Study Apartment Building Data published in the OTR's Pertinent Data Book. However,

Square: 0491

Lot: 2004

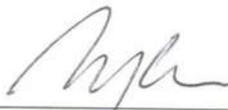
Property Address: 565 Pennsylvania Avenue NW #301

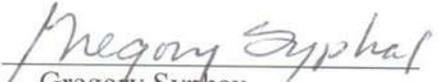
the subject property, though assessed as a rental apartment building, is a condominium regime, a fact which should not be overlooked in the valuation process.

In addition to the subject's strategic location, quality of the improvements, amenities, condition, and strong income stream, the owner has the ability to sell the individual apartment units on the open market without having to go through the lengthy and often difficult process of conversion. The Commission therefore recognizes that the subject property has far less inherent risk in ownership than the typical rental apartment building without a condominium regime in-place. For this reason, the OTR's use of a lower capitalization rate appears to be justified in this particular case. The Commission therefore deems the value estimate produced by the OTR to be the best reflection of the property's market value as a single economic unit. The proposed assessment is hereby sustained for TY 2013.

COMMISSIONER SIGNATURES


Richard Amato, Esq.


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.



Real Property Tax Appeals Commission

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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2005
Property Address: 565 Pennsylvania Avenue NW #302

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	270,060	Land	270,060
Building	630,140	Building	630,140
Total	\$ 900,200	Total	\$ 900,200

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner’s appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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Although the Petitioner failed to provide the Assessor with the Income and Expense Report for 2013 (1/1/2011 to 12/31/2011), the Petitioner did provide, what appears to be, a full accounting of the property’s operations for that calendar year with a signed affidavit (not notarized) by the Property Manager, Lindsey Zehner at Bozzuto Management Co. The Commission’s review of the Petitioner’s income analysis indicates that the Petitioner and the OTR are basically in agreement with their estimate of the property’s Net Operating Income (NOI) since there is only a nominal difference between the two. Therefore, the only issue is the selection of the appropriate capitalization rate which should be used to convert the NOI into an estimate of value. In this matter, the Commission fully understands how the Petitioner developed his capitalization rate since it appears to be well supported by the Delta Study Apartment Building Data published in the OTR’s Pertinent Data Book. However,

Square: 0491

Lot: 2005

Property Address: 565 Pennsylvania Avenue NW #302

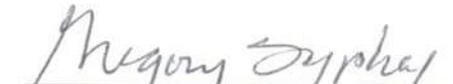
the subject property, though assessed as a rental apartment building, is a condominium regime, a fact which should not be overlooked in the valuation process.

In addition to the subject's strategic location, quality of the improvements, amenities, condition, and strong income stream, the owner has the ability to sell the individual apartment units on the open market without having to go through the lengthy and often difficult process of conversion. The Commission therefore recognizes that the subject property has far less inherent risk in ownership than the typical rental apartment building without a condominium regime in-place. For this reason, the OTR's use of a lower capitalization rate appears to be justified in this particular case. The Commission therefore deems the value estimate produced by the OTR to be the best reflection of the property's market value as a single economic unit. The proposed assessment is hereby sustained for TY 2013.

COMMISSIONER SIGNATURES


Richard Amato, Esq.


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.



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: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2006

Property Address: 565 Pennsylvania Avenue NW #303

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	177,240	Land	177,240
Building	413,560	Building	413,560
Total	\$ 590,800	Total	\$ 590,800

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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Square: 0491

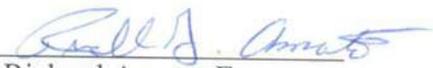
Lot: 2006

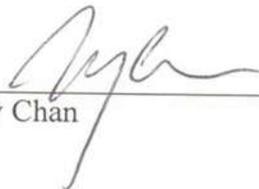
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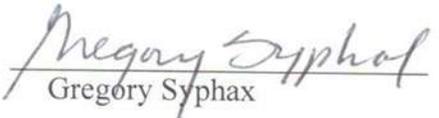
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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2007

Property Address: 565 Pennsylvania Avenue NW #304

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	184,080	Land	184,080
Building	429,520	Building	429,520
Total	\$ 613,600	Total	\$ 613,600

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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Lot: 2007

Property Address: 565 Pennsylvania Avenue NW #304

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COMMISSIONER SIGNATURES


Richard Amato, Esq.


May Chan


Gregory Syphax

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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2008

Property Address: 565 Pennsylvania Avenue NW #305

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	168,000	Land	168,000
Building	392,000	Building	392,000
Total	\$ 560,000	Total	\$ 560,000

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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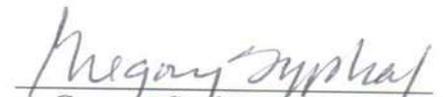
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COMMISSIONER SIGNATURES


Richard Amato, Esq.


May Chan


Gregory Syphax

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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2009

Property Address: 565 Pennsylvania Avenue NW #306

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	148,140	Land	148,140
Building	345,660	Building	345,660
Total	\$ 493,800	Total	\$ 493,800

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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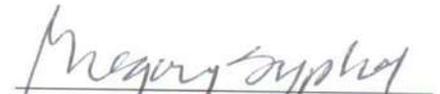
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COMMISSIONER SIGNATURES


Richard Amato, Esq.


May Chan


Gregory Syphax

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BELOW

Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2110

Property Address: 565 Pennsylvania Avenue NW #1111

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	178,350	Land	178,350
Building	416,150	Building	416,150
Total	\$ 594,500	Total	\$ 594,500

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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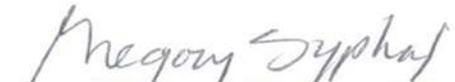
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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2011

Property Address: 565 Pennsylvania Avenue NW #308

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	171,960	Land	171,960
Building	401,240	Building	401,240
Total	\$ 573,200	Total	\$ 573,200

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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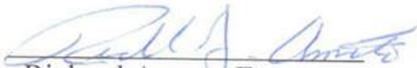
Lot: 2011

Property Address: 565 Pennsylvania Avenue NW #308

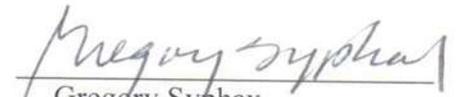
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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2012

Property Address: 565 Pennsylvania Avenue NW #309

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	199,080	Land	199,080
Building	464,520	Building	464,520
Total	\$ 663,600	Total	\$ 663,600

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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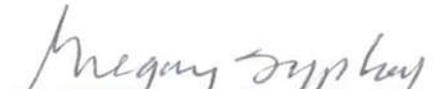
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Real Property Tax Appeals Commission

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
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WISH TO APPEAL THIS ASSESSMENT FURTHER, SEE THE INFORMATION
BELOW

Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2013

Property Address: 565 Pennsylvania Avenue NW #310

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	178,350	Land	178,350
Building	416,150	Building	416,150
Total	\$ 594,500	Total	\$ 594,500

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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Property Address: 565 Pennsylvania Avenue NW #310

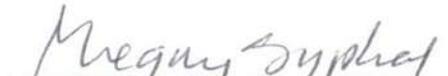
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COMMISSIONER SIGNATURES


Richard Amato, Esq.


May Chan


Gregory Syphax

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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2014

Property Address: 565 Pennsylvania Avenue NW #311

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	106,050	Land	106,050
Building	247,450	Building	247,450
Total	\$ 353,500	Total	\$ 353,500

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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Square: 0491

Lot: 2014

Property Address: 565 Pennsylvania Avenue NW #311

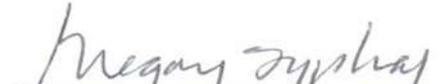
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COMMISSIONER SIGNATURES


Richard Amato, Esq.


May Chan


Gregory Syphax

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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2015

Property Address: 565 Pennsylvania Avenue NW #312

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	109,140	Land	109,140
Building	254,660	Building	254,660
Total	\$ 363,800	Total	\$ 363,800

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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Square: 0491

Lot: 2015

Property Address: 565 Pennsylvania Avenue NW #312

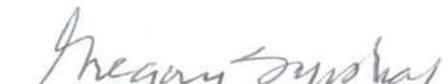
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COMMISSIONER SIGNATURES


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May Chan


Gregory Syphax

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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2016

Property Address: 565 Pennsylvania Avenue NW #313

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	247,350	Land	247,350
Building	577,150	Building	577,150
Total	\$ 824,500	Total	\$ 824,500

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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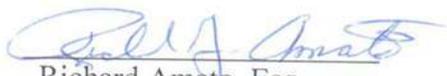
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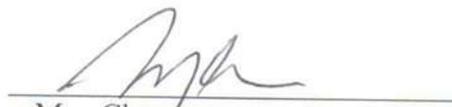
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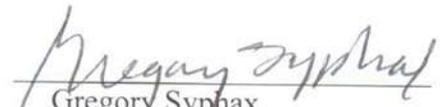
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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2017

Property Address: 565 Pennsylvania Avenue NW #401

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	270,270	Land	270,270
Building	630,630	Building	630,630
Total	\$ 900,900	Total	\$ 900,900

Rationale:

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Square: 0491

Lot: 2017

Property Address: 565 Pennsylvania Avenue NW #401

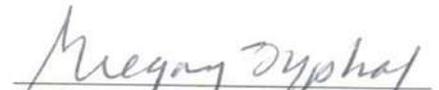
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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2018

Property Address: 565 Pennsylvania Avenue NW #402

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	270,060	Land	270,060
Building	630,140	Building	630,140
Total	\$ 900,200	Total	\$ 900,200

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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Square: 0491

Lot: 2018

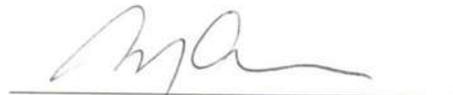
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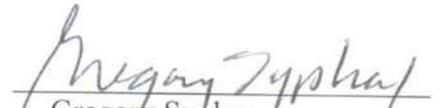
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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2019

Property Address: 565 Pennsylvania Avenue NW #403

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	177,240	Land	177,240
Building	413,560	Building	413,560
Total	\$ 590,800	Total	\$ 590,800

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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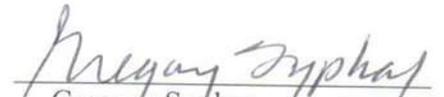
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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2020

Property Address: 565 Pennsylvania Avenue NW #404

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	184,080	Land	184,080
Building	429,520	Building	429,520
Total	\$ 613,600	Total	\$ 613,600

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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Property Address: 565 Pennsylvania Avenue NW #404

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In addition to the subject's strategic location, quality of the improvements, amenities, condition, and strong income stream, the owner has the ability to sell the individual apartment units on the open market without having to go through the lengthy and often difficult process of conversion. The Commission therefore recognizes that the subject property has far less inherent risk in ownership than the typical rental apartment building without a condominium regime in-place. For this reason, the OTR's use of a lower capitalization rate appears to be justified in this particular case. The Commission therefore deems the value estimate produced by the OTR to be the best reflection of the property's market value as a single economic unit. The proposed assessment is hereby sustained for TY 2013.

COMMISSIONER SIGNATURES


Richard Amato, Esq.


May Chan


Gregory Syphax

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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: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2021

Property Address: 565 Pennsylvania Avenue NW #405

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	168,000	Land	168,000
Building	392,000	Building	392,000
Total	\$ 560,000	Total	\$ 560,000

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

The Petitioner's Sales Comparison Approach utilizes sales of individual condo units from other condominium projects. The Commission rejects the comparisons due to the fact that the subject property, although a condominium, is assessed as a single economic unit rental building by the OTR. The OTR's policy is to refrain from assessing such properties as condominiums when they are held and operated as rental properties. These properties will only be assessed as condominiums when the project begins to sell the individual units as condominiums.

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Square: 0491

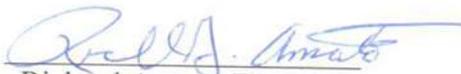
Lot: 2021

Property Address: 565 Pennsylvania Avenue NW #405

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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2022

Property Address: 565 Pennsylvania Avenue NW #406

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	148,140	Land	148,140
Building	345,660	Building	345,660
Total	\$ 493,800	Total	\$ 493,800

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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Lot: 2022

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Date: December 19, 2012

Legal Description of Property

Square: 0491

Lot: 2023

Property Address: 565 Pennsylvania Avenue NW #407

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	145,950	Land	145,950
Building	340,550	Building	340,550
Total	\$ 486,500	Total	\$ 486,500

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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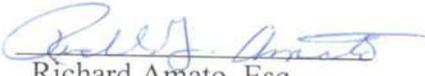
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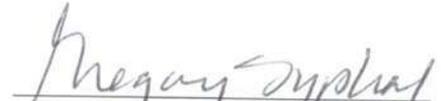
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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2024

Property Address: 565 Pennsylvania Avenue NW #408

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	171,960	Land	171,960
Building	401,240	Building	401,240
Total	\$ 573,200	Total	\$ 573,200

Rationale:

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Date: December 19, 2012

Legal Description of Property

Square: 0491 Lot: 2025

Property Address: 565 Pennsylvania Avenue NW #409

ORIGINAL ASSESSMENT		FINAL ASSESSMENT	
Land	98,970	Land	98,970
Building	230,930	Building	230,930
Total	\$ 329,900	Total	\$ 329,900

Rationale:

The subject property is a 135 unit apartment building which was constructed in 2007-2008. Originally planned to be sold as condominium units, the owner decided to hold and operate the property as a rental project (as a single economic unit) due to poor marketing conditions at that time. The property is well located in the Downtown CBD and is within two blocks of US Capitol. The building is considered a trophy building and monthly rentals are reportedly among the highest in the city. The Petitioner's appeal and estimate of value is based on the results of his own valuation using The Income Approach and a Sales Comparison Approach.

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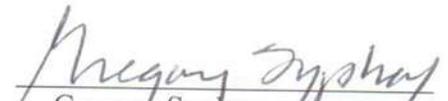
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