

FILED

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

Tax Division

APR 18 4 32 PM '94

HALIFAX SQUARE ASSOCIATES)	
)	SUPERIOR COURT OF
<u>Petitioner</u>)	DISTRICT OF COLUMBIA
)	TAX DIVISION
v.)	
)	Tax Docket Nos. 5258-92
DISTRICT OF COLUMBIA)	5683-93
)	
<u>Respondent</u>)	

FINDINGS OF FACT AND CONCLUSIONS OF LAW

Facts:

As stated in the stipulation filed in open court on April 12, 1994.

Additional facts:

The court has no reason to doubt the accuracy of the income statements for the subject properties shown in π 's exhibits 3 & 4. They show net income for the properties in calendar year 1990 of \$219,987 and for 1991 \$238,345.

The assessor was Troy R. Davis. After consideration of the cost and income approaches to valuation, he rejected them and relied primarily on a comparable sales approach in his valuation and assessment of the subject properties for the relevant tax years.

The court finds that Mr. Davis relied upon the first four properties listed on π 's exhibit 5 for his comparable sales, and also a 10/15/91 sale of a 10,954 sq. ft. property, GBA at \$219/sq. ft., for his 1993 tax year valuation.

Petitioner has not provided an alternative expert valuation for the subject properties, only a preferred method (income approach), and a capitalization rate range of 10.15 to 12.15 percent. Even that approach, however, was stated by Mr. Hortsman was one where he would have been influenced by a comparable sales analysis. But he did not, or could not, within the parameters for which his testimony was permitted, state how his appraisal would have been so influenced.

Subjective facts:

The court generally finds Mr. Davis more persuasive than Mr. Hortsman. The court has wondered whether that is so because the relevance of Mr. Davis' testimony was better understood by the time his testimony was reached, and the court and counsel

could better plumb his testimony than they could or did when Mr. Hortsman was testifying.

Be that as it may, Mr. Davis showed a deep, thorough, experienced, "feeling" knowledge of the geographical area and the way buyers and sellers were reacting to the market and to income concerns.

I found not only his preference for the market approach more persuasive, but I also found more persuasive his analysis of a more suitable (and lower) capitalization rate. Either approach by him sustains the District's assessments here.

I further find his comparable sales relied upon to be sufficiently comparable -- to use his words, "You'll not get more comparable data in the real world." I disagree with petitioner's expert that they were not comparable.

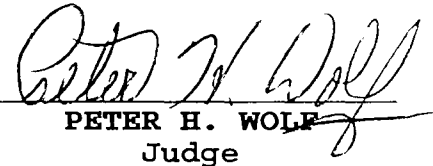
Conclusions of Law:

π has not shown by a preponderance of evidence that the District's assessments were wrong. Even if π had, it has not shown sufficiently -- without an improper amount of speculation by the court -- what the correct assessment should be.

Judgment must be entered for respondent, the assessments are sustained, the petitions are dismissed.

4-18-94

Date


PETER H. WOLF
Judge

cc: Distributed in open court to:

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