

TAX YEAR 2025

PERTINENT DATA BOOK FOR THE DISTRICT OF COLUMBIA

**OFFICE OF TAX AND REVENUE
REAL PROPERTY TAX ADMINISTRATION**

Tax Year 2025 Pertinent Data Book Table of Contents

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PLEASE ALLOW THIS EXAMPLE TO BE USED AS A GUIDE TO UNDERSTANDING YOUR APPRAISAL.

CBD, INC. Buil ding :

Pot nt al Gross In ome :

Office 198,000 sq. ft. X \$5 : 10,296,000
 Retail 7,500 sq. ft. X \$65 : 487,500
 Parkin : 500,000
 Antenna Lease : 30,000 :

1. Total Pot nt al Gross In ome : \$ **11,313,500** :

2. less Vacancy & Collection Loss (7% : - 754,845 :

3. E t v Gross In ome : \$ **10,558,655** :

Exp ns s :

Operating :

4 : Office Area (24%, rounded : 2,345,944

5. Retail Area (25%, rounded : 113,344

6. Parking & Antenna (25%, rounded : 132,500 :

7. Reserves for Replacements (2% of PGI : 226,270 :

8. Total Exp ns : - \$ **2,818,058**

9. N t p rat ng In ome : \$7,740,597 :

10. Class 'A' Prop rty Cap tal zat on Rat : **6.00 % :**

11. Ind at d Mark t Valu : \$129,009,950 :

SSL 9999 8888 Internal ID 183145		Sales Information			Commercial Data Elements			2017												
Location 9999 9TH ST NW		Sale Date	Q/U	V/I	Sale Price	Exterior Finish			INCOME VALUATION Washington, DC 12/31/2015 10:00:17 AM											
Current Owner CBD, INC		10-28-2013	Q	I	125,000,000	0 Typical														
9999 9TH ST		Year Built	2005			Wall Height	12.76098													
Washington DC 20002		Total Appraised Parcel Value			129,009,950															
Additional Owners:		Income			Income Value			Notes												
Leaseable Area Summary		Cap Rate		Income		Income Value														
Ground Level	7,500	Cap Code	OAT	Gross Income	11,313,500	Income Value	11	129,009,950												
Lower level	0	Cap Adjust	A	Vacancy Allowance	754,845	Other Adjust	0													
Upper Level	198,000	Cap Rate	10	Expense Allowance	2,818,057															
Total Leaseable Area 205,500		Rent ID	NBHD	Net Income	7,740,597	Total Income Value	129,009,950													
		001	10	Value per SF/Unit	628															
#	Bldg #	Sect #	Style	Adj Table	OCC	SF/Unit	Fir Lev	Base Rate	Use Adj	Loc Adj	Rent SF/Unit	Gross Rent	Vac %	Vac Allowance	EGI	EXP %	EXP /SF	Expenses	NOI	
1	1	1	OF OFFICE CL	3	0	198000	UL	52.00	3	3	52.00	10,296,000	3	0.07	9,575,280	3	0.24	2,345,944	4	7,229,336
2	1	1	O OFF RETAI	3	7500	7500	GL	65.00	3	3	65.00	487,500	3	0.07	453,375	3	0.25	113,344	5	340,031
3	1	1	O OFF PARKI	6	0	0	LL	0.00	3	3	500000.0	500,000	3	0.00	500,000	3	0.25	125,000	6	375,000
4	1	1	O OFF MISC I	6	0	0	UL	0.00	3	3	300000.0	30,000	3	0.00	30,000	3	0.25	7,500	7	22,500
5	1	1	O OFF RESE	6	0	0	GL	0.00	3	3	0	0	3	0.00	0	3	0.00	226,270	7	-226,270
											1	2	3	8	9					
											11,313,500	754,845	10,558,655	2,818,058	7,740,597					

TY 2025 Office Submarket Rents, Rates and Ratios (see map)

		CAPITOL HILL	CENTRAL BUSINESS DISTRICT	GEORGETOWN	NORTHEAST	OLD CITY #2	SOUTHEAST	SOUTHWEST	UPTOWN EAST	UPTOWN WEST
	Vacancy and Collection Ratio-Trophy	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
	Vacancy and Collection Ratio-A	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%
	Vacancy and Collection Ratio-B	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%
	Vacancy and Collection Ratio-C	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%
	Vacancy and Collection Ratio-All Others	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%
	Expense Ratio (Trophy)	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
	Expense Ratio (Class A)	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%
	Expense Ratio (Class B)	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%
	Expense Ratio (Class C)	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%
	Expense Ratio (All Others)	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%
Code	Description	Annual Rent								
1	OFF1 OFFICE TROPHY	65.10	68.40	63.10	61.10	68.40	61.10	65.10	61.10	63.10
2	OFF2 OFFICE CLASS A	51.10	58.70	55.00	45.40	58.70	45.40	51.10	45.40	55.00
3	OFF3 OFFICE CLASS B	48.30	46.90	45.00	35.10	46.90	35.10	48.30	35.10	45.00
4	OFF4 OFFICE CLASS C	43.50	39.60	41.30	32.30	39.60	32.30	43.50	32.30	41.30
5	OFFC OFFICE CONDO	48.30	46.90	45.00	35.10	46.90	35.10	48.30	35.10	45.00
6	O_BO OFF BSMT OFFICE	40.00	40.30	40.00	40.00	40.30	40.00	40.00	40.00	40.00
7	O_BR OFF BSMT RETAIL	48.20	48.20	30.00	30.00	48.20	30.00	48.20	30.00	30.00
8	O_R1 OFF RETAIL_FF	50.50	52.00	43.70	31.00	52.00	31.00	50.50	31.00	43.70
9	O_R2 OFF RETAIL_UP	37.00	41.00	33.00	29.00	41.00	29.00	37.00	29.00	33.00
10	O_RA OFF RES_APT	27.00	31.00	23.00	19.00	31.00	19.00	27.00	19.00	23.00

Cap Rate Table

Cap Code	Description	Rate
OA0	OFFICE TROPHY	5.40%
OA1	OFFICE A	6.30%
OB0	OFFICE B	6.70%
OC0	OFFICE C	7.20%

Cap Rating	Description	Adjustment
O0	VERY POOR	1.06
O1	POOR	1.04
O2	FAIR	1.02
O3	AVERAGE	1.00
O4	GOOD	0.98
O5	EXCELLENT	0.96
A	AVERAGE	1.00

Rent, Vacancy, and Expense Adjustment Tables

Trophy / Class A

Rating	Description	Location	Use	Vacancy	Expense
1	POOR	0.90	0.90	1.50	1.20
2	FAIR	0.95	0.95	1.25	1.10
3	AVERAGE	1.00	1.00	1.00	1.00
4	GOOD	1.10	1.10	0.75	0.90
5	EXCELLENT	1.20	1.20	0.50	0.80
A	AVERAGE	1.00	1.00	1.00	1.00

Class B/Class C/Other

Rating	Description	Location	Use	Vacancy	Expense
1	POOR	0.80	0.80	1.50	1.20
2	FAIR	0.90	0.90	1.25	1.10
3	AVERAGE	1.00	1.00	1.00	1.00
4	GOOD	1.10	1.10	0.75	0.90
5	EXCELLENT	1.20	1.20	0.50	0.80
A	AVERAGE	1.00	1.00	1.00	1.00

Tax Year 2025

Washington, DC Hotel Properties

Base Rates for Reassessment

Base Management Fee	3.00%
Incentive Management Fee	1.00%
Franchise Royalty Fee	4.00%
Replacement for Reserves (Real Property)	2.00%
Replacement for Reserves (Personal Property) aka-Return of FF&E Invested Capital	4.00%
Personal Property Tax Rate	3.40%

Replacement Cost New of FF&E per Room		
Ultra Luxury	\$	60,000
Luxury	\$	45,000
Full Service	\$	30,000
Select Service	\$	17,000-25,000
Limited Service	\$	15,000-25,000
Economy and Motel	\$	10,000

Cap Rate Real Property	
Ultra Luxury	7.40%
Luxury	7.85%
Full Service	8.05%
Select Service	8.75%
Economy and Limited Service	8.80%

Cap Rate Personal Property	
Ultra Luxury	7.55%
Luxury	8.00%
Full Service	8.20%
Select Service	8.90%
Economy and Limited Service	8.95%

TY2025 Apartment Submarket Rents (see map)

	CAPITOL HILL	CENTRAL BUSINESS DISTRICT	GEORGETOWN	NORTHEAST	OLD CITY #2	SOUTHEAST	SOUTHWEST	UPTOWN EAST	UPTOWN WEST	
Vacancy Ratio (Class A)	9%	8%	5%	15%	7%	10%	9%	10%	5%	
Vacancy Ratio (Class B)	13%	10%	5%	16%	7%	20%	16%	10%	10%	
Vacancy Ratio (Class C)	20%	12%	15%	17%	15%	20%	16%	16%	10%	
Expense Ratio (Class A)	30%	31%	39%	37%	32%	50%	30%	38%	30%	
Expense Ratio (Class B)	37%	40%	40%	51%	40%	60%	37%	42%	45%	
Expense Ratio (Class C)	44%	42%	46%	61%	42%	62%	37%	49%	45%	
Code	Description	Monthly Rent								
0101	EFFICIENCY, A	1,895	2,060	1,740	1,585	2,070	1,170	2,090	1,800	2,000
0102	EFFICIENCY, B	1,495	1,745	1,580	1,690	1,775	1,075	1,600	1,395	1,600
0103	EFFICIENCY, C	1,390	1,785	1,425	1,310	1,425	900	1,500	1,220	1,375
1101	1BR, 1BA, A	2,250	2,435	2,405	1,855	2,395	1,525	2,445	2,260	2,250
1102	1BR, 1BA, B	1,750	2,255	1,700	1,900	2,250	1,160	2,060	1,830	1,900
1103	1BR, 1BA, C	1,550	2,450	1,550	1,310	1,800	1,040	1,950	1,395	1,595
1111	1BR+DEN, 1BA, A	2,555	3,130	2,425	2,270	2,980	1,890	2,460	2,300	2,700
1112	1BR+DEN, 1BA, B	2,640	3,310	2,205	2,260	2,445	1,710	2,350	2,520	2,470
1113	1BR+DEN, 1BA, C	2,120	2,405	2,405	2,150	2,565	2,405	2,250	2,405	2,405
2101	2BR, 1BA, A	2,720	4,720	3,470	2,680	3,875	1,355	3,310	3,280	3,715
2102	2BR, 1BA, B	2,250	3,530	2,460	2,295	3,000	1,640	3,110	2,555	2,900
2103	2BR, 1BA, C	2,100	3,450	1,995	1,835	2,900	1,225	3,000	1,700	2,100
2111	2BR+DEN, 1BA, A	3,925	6,995	3,690	2,555	3,800	1,930	3,310	4,440	3,880
2112	2BR+DEN, 1BA, B	3,565	4,970	3,355	2,320	3,555	1,760	3,310	2,670	3,525
2113	2BR+DEN, 1BA, C	2,810	4,170	2,690	1,615	3,180	1,340	3,310	1,985	2,715
2201	2BR, 2BA, A	3,195	3,425	4,010	2,635	3,420	1,890	3,925	2,910	3,535
2202	2BR, 2BA, B	2,380	3,320	3,640	2,530	3,500	1,710	3,100	2,720	2,875
2203	2BR, 2BA, C	2,300	3,250	3,270	1,330	3,425	1,330	3,000	2,215	3,185
2211	2BR+DEN, 2BA, A	4,315	6,275	4,060	3,175	4,365	2,290	3,310	2,880	4,660
2212	2BR+DEN, 2BA, B	3,925	5,685	3,690	2,890	3,975	2,070	3,310	2,595	4,250
2213	2BR+DEN, 2BA, C	3,210	5,015	3,360	1,890	3,040	1,725	3,200	2,140	3,225
3101	3BR, 1BA, A	4,230	6,815	4,200	2,965	3,385	1,930	4,030	2,520	3,965
3102	3BR, 1BA, B	3,850	6,180	3,830	2,700	3,080	1,760	4,030	2,290	1,630
3103	3BR, 1BA, C	3,470	5,560	3,450	2,445	2,775	2,015	4,030	2,070	3,260
3111	3BR+DEN, 1BA, A	4,850	7,815	4,630	3,405	3,905	2,460	4,030	4,410	4,800
3112	3BR+DEN, 1BA, B	4,440	7,120	4,200	3,090	3,555	2,235	4,030	4,030	4,365
3113	3BR+DEN, 1BA, C	3,730	5,980	3,615	2,625	2,985	1,995	4,030	2,145	3,355
3201	3BR, 2BA, A	4,085	7,815	4,630	3,405	3,905	2,290	4,030	2,700	4,220
3202	3BR, 2BA, B	3,600	7,120	4,200	3,090	3,555	2,070	4,030	2,480	3,840
3203	3BR, 2BA, C	3,500	6,405	3,775	2,805	3,195	1,865	4,030	2,225	3,450
3211	3BR+DEN, 2BA, A	5,735	9,585	4,950	4,040	4,595	2,790	3,945	4,535	4,990
3212	3BR+DEN, 2BA, B	5,205	8,710	4,505	3,655	4,175	2,540	3,945	4,110	4,545
3213	3BR+DEN, 2BA, C	4,170	6,340	4,045	3,405	3,200	1,900	4,150	2,865	4,580
4101	4BR, 1BA, A	5,435	7,830	5,370	4,970	4,010	2,405	4,350	4,320	7,075
4102	4BR, 1BA, B	4,930	7,130	4,875	4,535	3,645	2,190	4,350	3,945	6,445
4103	4BR, 1BA, C	4,430	6,405	4,390	4,060	3,275	1,975	4,350	3,555	5,785
4111	4BR+DEN, 1BA, A	5,435	7,830	5,370	4,970	4,010	2,405	4,350	4,320	7,075
4112	4BR+DEN, 1BA, B	4,930	7,130	4,875	4,535	3,645	2,190	4,350	3,945	6,445
4113	4BR+DEN, 1BA, C	4,430	6,405	4,390	4,060	3,275	1,975	4,350	3,555	5,785
4201	4BR, 2BA, A	8,150	9,020	6,155	6,220	4,605	2,870	4,350	4,320	8,490
4202	4BR, 2BA, B	7,415	8,200	5,610	5,640	4,185	2,605	4,350	3,945	7,740
4203	4BR, 2BA, C	6,675	7,375	5,060	5,095	3,760	2,645	4,350	3,700	6,965
4211	4BR+DEN, 2BA, A	8,150	9,020	6,155	6,220	4,605	2,870	4,350	4,320	8,490
4212	4BR+DEN, 2BA, B	7,415	8,200	5,610	5,640	4,185	2,605	4,350	3,945	7,740
4213	4BR+DEN, 2BA, C	6,675	7,375	5,060	5,095	3,760	2,645	4,350	3,700	6,965
4991	5 OR MORE BR, A	8,150	9,020	6,155	6,220	4,605	2,870	4,350	4,320	8,490
4992	5 OR MORE BR, B	7,415	8,200	5,610	5,640	4,185	2,605	4,350	3,945	7,740
4993	5 OR MORE BR, C	6,675	7,375	5,060	5,095	3,760	2,645	4,350	3,700	6,965

**TY 2025 Apartment Submarket Vacancy Expenses and Adjustment Tables
(see map)**

	CAPITOL HILL	CENTRAL BUSINESS DISTRICT	GEORGETOWN	NORTHEAST	OLD CITY #2	SOUTHEAST	SOUTHWEST	UPTOWN EAST	UPTOWN WEST
Vacancy Ratio (Class A)	9%	8%	5%	15%	7%	10%	9%	10%	5%
Vacancy Ratio (Class B)	13%	10%	5%	16%	7%	20%	16%	10%	10%
Vacancy Ratio (Class C)	20%	12%	15%	17%	15%	20%	16%	16%	10%
Expense Ratio (Class A)	30%	31%	39%	37%	32%	50%	30%	38%	30%
Expense Ratio (Class B)	37%	40%	40%	51%	40%	60%	37%	42%	45%
Expense Ratio (Class C)	44%	42%	46%	61%	42%	62%	37%	49%	45%

Capitalization Rate Table

Cap Code	Description	Rate
A1A	APT AREA 1 CLASS A	0.050
A1B	APT AREA 1 CLASS B	0.052
A1C	APT AREA 1 CLASS C	0.054
A2A	APT AREA 2 CLASS A	0.051
A2B	APT AREA 2 CLASS B	0.053
A2C	APT AREA 2 CLASS C	0.055
A3A	APT AREA 3 CLASS A	0.051
A3B	APT AREA 3 CLASS B	0.053
A3C	APT AREA 3 CLASS C	0.055

Capitalization Rate Adjustment Table

Cap Rating	Description	Adjustment
A0	VERY POOR	1.08
A1	POOR	1.05
A2	FAIR	1.03
A3	AVERAGE	1.00
A4	GOOD	0.97
A5	EXCELLENT	0.95
A	AVERAGE	1.00

Rent, Vacancy, and Expense Adjustment Tables

Rating	Description	Location	Use	Vacancy	Expense
1	POOR	0.80	0.80	2.00	1.25
2	FAIR	0.90	0.90	1.50	1.10
3	AVERAGE	1.00	1.00	1.00	1.00
4	GOOD	1.10	1.10	0.50	0.90
5	EXCELLENT	1.25	1.25	0.25	0.75
A	AVERAGE	1.00	1.00	1.00	1.00
L	SHORT TERM	1.35	1.35	0.25	0.75
S	NON-MARKET	0.70	0.70	0.25	1.25

TY 2025 Retail Submarket Rates, Ratios and Rents

		CAPITOL HILL	CENTRAL BUSINESS DISTRICT	GEORGETOWN	NORTHEAST	OLD CITY #2	SOUTHEAST	SOUTHWEST	UPTOWN EAST	UPTOWN WEST
	V&C Ratio-Proposed	8.0%	9.0%	11.0%	7.0%	10.0%	6.0%	10.0%	8.0%	8.0%
	Exp Ratio-Proposed	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Code	Description	Annual Rent								
RET1	RT SM < 1K SF	\$ 29.30	\$ 69.50		\$ 24.20	\$ 42.80	\$ 21.20	\$ 69.50	\$ 38.20	\$ 44.50
RET2	RT MED < 2K SF	\$ 36.80	\$ 69.50		\$ 31.50	\$ 34.90	\$ 23.80	\$ 42.00	\$ 37.20	\$ 34.90
RET3	RT LRG < 3K SF	\$ 47.20	\$ 69.50		\$ 36.30	\$ 27.50	\$ 19.90	\$ 69.50	\$ 32.80	\$ 46.60
RET4	RT XLG > 10K SF	\$ 33.30	\$ 44.00		\$ 17.40	\$ 36.30	\$ 19.90	\$ 61.00	\$ 33.90	\$ 47.10
RET5	RT MED < 20K SF	\$ 24.50	\$ 51.30		\$ 16.60	\$ 30.80	\$ 14.70	\$ 40.00	\$ 18.80	\$ 31.50
RET6	RT LRG < 60K SF	\$ 21.70	\$ 45.50		\$ 14.80	\$ 27.40	\$ 13.20	\$ 45.50	\$ 16.60	\$ 28.00
RET7	RT XLG > 60K SF	\$ 19.10	\$ 39.90		\$ 13.00	\$ 23.90	\$ 11.40	\$ 39.90	\$ 14.60	\$ 24.40
RET1	RT MKT AREA 1			\$ 40.40						
RET2	RT MKT AREA 2			\$ 42.90						
RET3	RT MKT AREA3 SM			\$ 93.60						
RET4	RT MKT AREA3 LG			\$ 31.10						
RET8	RT 1ST/UPPR FLR	\$ 27.10	\$ 56.60	\$ 48.70	\$ 18.50	\$ 42.20	\$ 16.30	\$ 50.00	\$ 26.30	\$ 34.90
RETB	RT BANK/FINANCE	\$ 42.10	\$ 87.90	\$ 70.20	\$ 28.70	\$ 58.90	\$ 25.20	\$ 87.90	\$ 41.30	\$ 57.50
RETR	RT RESTAURANT	\$ 49.30	\$ 54.60	\$ 47.50	\$ 21.80	\$ 44.70	\$ 19.00	\$ 66.50	\$ 31.20	\$ 43.50
RTL	RT LOWER LEVEL	\$ 19.50	\$ 29.80	\$ 34.40	\$ 18.30	\$ 29.80	\$ 17.80	\$ 29.80	\$ 19.50	\$ 29.80
RTUA	RT UPPR FLR APT	\$ 31.00	\$ 46.00	\$ 39.60	\$ 19.50	\$ 34.30	\$ 18.90	\$ 50.70	\$ 29.80	\$ 31.60
RTUO	RT UPPR FLR OFF	\$ 34.70	\$ 41.60	\$ 43.90	\$ 20.70	\$ 35.50	\$ 20.00	\$ 53.60	\$ 32.80	\$ 28.70
RTUR	RT UPPR FLR RET	\$ 31.00	\$ 51.90	\$ 38.10	\$ 19.50	\$ 38.10	\$ 18.90	\$ 50.70	\$ 31.00	\$ 36.60

Cap Rate Table

Cap Code	Description	Rate
RE1	STANDARD RETAIL	5.350
RE2	SHOPPING CTR/MALL	6.500
RE3	DEPT STORE/SUPERMKT	6.500
RE4	RESTAURANT	5.650

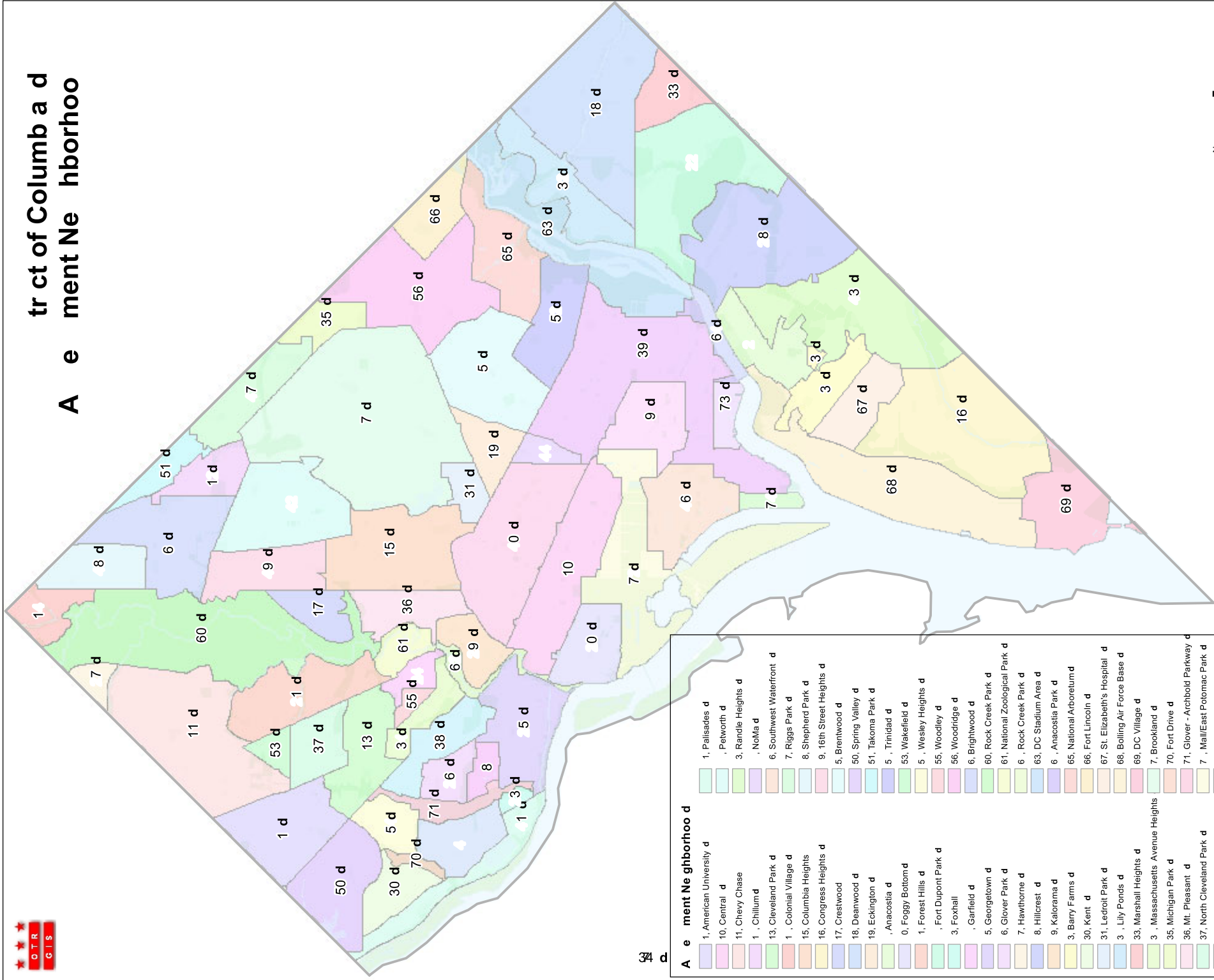
Cap Rating	Description	Adjustment
0	VERY POOR	1.30
1	POOR	1.20
2	FAIR	1.10
3	AVERAGE	1.00
4	GOOD	0.90
5	EXCELLENT	0.80
A	AVERAGE	1.00

Rent, Vacancy, and Expense Adjustment Tables

Rating	Description	Location	Use	Vacancy	Expense
1	POOR	0.80	0.80	1.50	1.20
2	FAIR	0.90	0.90	1.25	1.10
3	AVERAGE	1.00	1.00	1.00	1.00
4	GOOD	1.10	1.10	0.75	0.90
5	EXCELLENT	1.20	1.20	0.50	0.80
A	AVERAGE	1.00	1.00	1.00	1.00



Neighborhoods of Columbia District

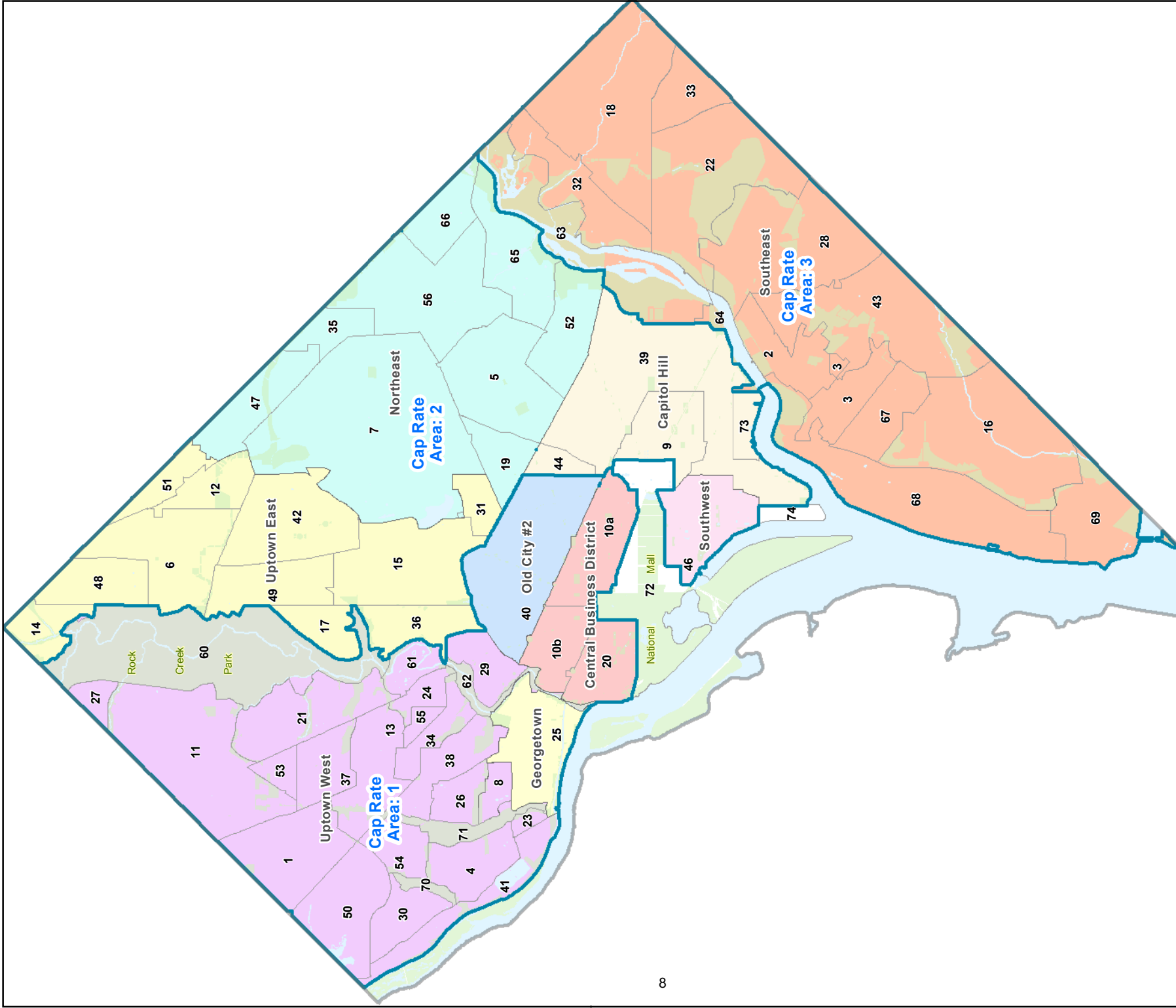


Scale: 1 inch = 1 mile

A e m e n t Ne ghborhoo d

- 1, American University d
- 10, Central d
- 11, Chevy Chase
- 1, Chillum d
- 13, Cleveland Park d
- 1, Colonial Village d
- 15, Columbia Heights
- 16, Congress Heights d
- 17, Crestwood
- 18, Deanwood d
- 19, Eckington d
- , Anacostia d
- 0, Foggy Bottom
- 1, Forest Hills d
- , Fort Dupont Park d
- 3, Foxhall
- , Garfield d
- 5, Georgetown d
- 6, Glover Park d
- 7, Hawthorne d
- 8, Hillcrest d
- 9, Kalorama d
- 3, Barry Farms d
- 30, Kent d
- 31, LeDroit Park d
- 3, Lily Ponds d
- 33, Marshall Heights d
- 3, Massachusetts Avenue Heights
- 35, Michigan Park d
- 36, Mt. Pleasant d
- 37, North Cleveland Park d
- 38, Observatory Circle d
- 39, Old City 1 d
- , Berkeley d
- 0, Old City d
- 1, Palisades d
- , Petworth d
- 3, Randle Heights d
- , NoMa d
- 6, Southwest Waterfront d
- 7, Riggs Park d
- 8, Shepherd Park d
- 9, 16th Street Heights d
- 5, Brentwood d
- 50, Spring Valley d
- 51, Takoma Park d
- 5, Trinidad d
- 53, Wakefield d
- 5, Wesley Heights d
- 55, Woodley d
- 56, Woodridge d
- 6, Brightwood d
- 60, Rock Creek Park d
- 61, National Zoological Park d
- 6, Rock Creek Park d
- 63, DC Stadium Area d
- 6, Anacostia Park d
- 65, National Arboretum d
- 66, Fort Lincoln d
- 67, St. Elizabeth's Hospital d
- 68, Bolling Air Force Base d
- 69, DC Village d
- 7, Brookland d
- 70, Fort Drive d
- 71, Glover - Archbold Parkway d
- 7, Mail/East Potomac Park d
- 73, Washington Navy Yard d
- 7, Ft. McNair d
- 8, Burleith d
- 9, Capitol Hill d





RPAD Rent Curve SubMarkets and Cap Rate Areas

- 1, Central Business District
- 1, Georgetown
- 1, Old City #2
- 1, Uptown West
- 2, Capitol Hill
- 2, Northeast
- 2, Southwest
- 2, Uptown East
- 3, Southeast



DC Office of Tax and Revenue
 Real Property Assessment Division
 GIS



TAX YEAR 2025 WASHINGTON, DC OFFICE BUILDING EFFECTIVE RENT STUDY METHODOLOGY

Market based effective rent is derived from lease abstracts submitted by office property owners. The lease abstract is part of the income and expense report submitted to OTR by property owners. An analysis is performed to develop an indicated effective market rent from each new office building lease in the District for the calendar year. The steps are generally as follows:

For each lease, initial base rent, lease term, annual percentage rent increases and size of leased area are utilized to develop an estimate of total income from base rent over the life of the lease. Secondly, If the tenant is responsible for the payment of any operating expenses during the term of the lease (not including excess expenses over an expense stop) an estimate is made of total rent via expense payments/reimbursements over the term of the lease. This is calculated utilizing the lease abstract, the expense history of the subject property and expected rate of expense increases going forward. This estimate of total expense reimbursement (not including expense stop reimbursements) is added to the total estimated base rent for the term. Concessions (usually in the form of free rent) are deducted from that total. The new total rent estimated is divided by the number of years of the lease and the square footage of the space leased to arrive at an average annual estimate of effective rent per square foot.

That figure is then adjusted, if necessary, for any amount of leasing costs to be paid by the property owner which fall outside of the typical range of lease-up costs for the market. These lease-up costs include tenant improvements and leasing commissions. This range is determined by a separate lease up cost study.

The result is an annualized per-square-foot number that represents the indicated effective rent for that lease. When this process is completed for all new leases available, the leases are stratified by submarket, including considerations of building class and location. For each group of leases an indicated effective rent is determined by multiple measures of central tendency, including average, median and weighted average. OTR utilizes prior year's data and the most weight is placed on the median. Those indications are then projected forward by one year, utilizing an estimate of percentage increases in market rent. This results in three measures of projected effective rent for a given class and submarket of office buildings.

Consideration is given to other qualitative relevant data, before base rents for the valuation model are chosen.

Tax Year 2025

Washington, DC Office Building

Vacancy and Collection Rate Methodology

Vacancy and collection rates for the various classes of Office buildings were derived from income and expense analysis. The initial analysis is based on the Income and Expense forms completed by office building owners. Actual reported potential gross income for each property is calculated by adding the dollar amount of income loss to vacancy and collection to the actual income received. The income lost to vacancy and collection is then divided by the actual potential gross income to arrive at an indicated ratio for vacancy and collection loss. Vacancy and collection loss (as a percentage of potential gross income) is calculated for each property with a complete and clear Income and Expense filing. Properties that are known to have been recently constructed or remodeled/repositioned, and which have not reached stabilization, are omitted from the analysis.

An expected vacancy and collection ratio is then developed for each class of office building. After a ratio is developed for each property in the study, the properties are stratified by class. For each class of office, measures of central tendency are reviewed to develop estimates of typical vacancy and collection ratios, expressed as a percentage of potential gross income.

Other relevant data is considered and the base vacancy and collection rates for the valuation model are chosen.

Tax Year 2025

Washington, DC Office Building

Expense Rate Methodology

Expense rates for the various classes of Office buildings were derived from income and expense analysis. The initial analysis is based on the Income and Expense forms completed by office building owners. Growth rates for both income and expenses are reviewed and considered. Expenses as a percentage of effective gross income are calculated for each property that has provided a complete and clear Income and Expense filing. Properties that are not stabilized are omitted from the analysis.

The potential gross income for each given property is determined, based on the income and expense filings. That projected gross income is projected forward one year, and that income is translated to an effective gross income, utilizing a market vacancy rate. The expenses for each stabilized property are reviewed and also projected forward by one year. The projected expenses are compared to the projected effective gross income to develop an expense ratio for each property. After this is completed for every included property, the buildings are stratified by class and typical expense ratios are developed for each class of office buildings.

For each class of office, measures of central tendency are reviewed to develop estimates of typical expense ratios. Typical expense ratios are developed as a percentage of effective gross income for various classes of office properties.

Other relevant data is considered and the base expenses for the valuation model are chosen.

Tax Year 2025

Washington, DC Office Building

Capitalization Rate Study Methodology

Office capitalization rates were derived from arms-length market sales of comparable office buildings, through review of each sale and the development of an expected net operating income for each sale property. The stabilized net operating income was derived within the Vision CAMA income capitalization worksheet. Annual Leasing Reports (Rent Roll) and Income & Expense Statements (I&E), submitted by owners of office buildings in the District, were reviewed and analyzed to determine market rents, vacancies and expenses for office buildings of various classifications and locations. In addition, surveys and reports of market rents and expenses from notable commercial real estate publications were reviewed for support of the analysis.

Market rents were applied to the net rentable area of sales properties, with exceptions and/or adjustments to leases with longer remaining terms. Market vacancy rates were applied to the resulting gross operating income. Market expenses were compared to historical expenses of sales properties to determine the most appropriate expense deduction. A deduction was also made for reserves to account for upcoming replacement of short-lived building components which typically do not occur on an annual basis.

Stabilized and trended actual performance of properties is utilized to derive adjustments for income items such as parking, storage, and miscellaneous income.

All these factors were utilized to derive an estimate of stabilized net operating income for each sale property. The indicated capitalization rate was calculated for each sale property by dividing the stabilized net operating income by the sale price. The population of sale properties, and their indicated capitalization rates, were analyzed to determine capitalization rates for office properties for the tax year.

Non-arm's length sales or sales without an adequate reported history of income and expenses are not included in the capitalization rate study.

Covid – 19

The Office of Tax and Revenue has considered the effects of the Covid – 19 pandemic and its accompanying restrictions on the real estate market. Through discussions with market participants, review of published articles and industry resources, these effects were reviewed and considered as part of the revaluation process for Tax Year 2025, as of the effective date of January 1st, 2024.