

SALE OFFERING MEMORANDUM

Religious Facility Investment Sale

4417 Douglas Street NE, Washington, DC



Table of Contents



01

PROPERTY SUMMARY

Property Description
About The Opportunity
Zoning

Marcus N. Daniels

Vice President
+1 301 918 2954
mdaniels@naimichael.com

02

LOCATION OVERVIEW

Aerials & Maps
Amenities
Location Access
Nearby Employers
Property Photos
Multifamily Development Opportunity
Comparable Sales

03

ILLUSTRATIVE REDEVELOPMENT CONCEPTS

04

FINANCIAL INFORMATION

Transaction Guidelines

Disclaimer: The information contained herein has been given to us by the owner of the property or other sources we deem reliable. We have no reason to doubt its accuracy, but we do not guarantee it. Floor plans, site plans and other graphic representations of this property have been reduced and reproduced, and are not necessarily to scale. All information should be verified prior to purchase or lease.

Property Summary

01



SUMMARY

TOTAL SIZE:	15,686± SF
TOTAL LAND SIZE:	1.07± Acres
YEAR BUILT:	1970
RETAIL CENTER:	4,348 SF
ZONING:	R-1-B (Residential)
CURRENT USE:	Religious Facility
OCCUPANCY:	100% Occupied (Owner/User)
SALE PRICE:	\$6,000,000

PROPERTY DESCRIPTION

4417 Douglas Street in Northeast Washington, DC is a two story 15,686 +/- square foot religious facility situated on approximately 1.07 acres of land zoned Residential (R-1-B). The building was constructed in 1970 with an approximate gross floor area of 13,803 square feet. The property contains two elevators and 100 surface parking spaces.

Property Summary

01

ABOUT THE OPPORTUNITY

4417 Douglas Street in Northeast Washington D.C. provides a unique opportunity for a religious organization, non-profit, investor or a developer to acquire a property highly suitable for use as a church and future development of multifamily or mixed-use development in the growing economic corridor of Kenilworth Avenue. This site is located within close proximity to the 581-unit \$300 million Kenilworth Courts redevelopment that is currently underway. There is also easy access to the metro as the Deanwood Metro Station is across from Kenilworth Avenue.





R-1B



The purposes of the Residential R-1B/FH zone is to:

- Preserve and enhance the park-like setting of designated neighborhoods bounded by Connecticut Avenue and Thirty-Second Street on the west, Rock Creek Park on the east, Fort Circle National Park and Nevada Avenue, N.W. on the north, and Melvin C. Hazen Park and adjacent to streams and parks on the south, by regulating alteration or disturbance of terrain, destruction of trees, and the ground coverage of permitted buildings and other impervious surfaces. It includes Soapstone Valley Park as well as Melvin C. Hazen Park;
- Preserve the natural topography and mature trees to the maximum extent feasible in the Forest Hills neighborhoods;
- Prevent significant adverse impact on adjacent open space, parkland, stream beds, or other environmentally sensitive natural areas; and
- Limit permitted ground coverage of new and expanded buildings and other construction, so as to encourage a general compatibility between the siting of new buildings or construction and the existing neighborhood.

The Forest Hills Tree and Slope protection zones have a significant quantity of steep slopes, stands of mature trees, are located at the edge of stream beds and public open spaces, and have undeveloped lots and parcels subject to potential terrain alteration and tree removal. Few lots are developed on a rectangular grid system.

The R-1B/FH zone is intended to permit detached houses on moderately-sized lots.

In the ever-evolving landscape of urban development, the potential rezoning of 4417 Douglas Street in Washington DC emerges as a strategic move to maximize its development yield with its location being within walking distance to the Kenilworth Courts redevelopment project.

DC Housing Authority (DCHA) is co-developing the Kenilworth Courts redevelopment project with the Warrenton Group and the Michaels Organization who will be developing 530 multifamily units. The first phase will deliver two four-story buildings with 118 replacement and 49 affordable apartments. Subsequent phases require a second-stage PUD application, but are expected to deliver another 363 multifamily units and townhouses and 304 off-street parking spaces. Among those will be another 172 replacement units, along with 84 units affordable to households earning up to 60% of AMI, 65 units for households earning up to 80% of AMI, and 42 for-sale units for households earning up to 120% of AMI.

Currently designated as R-1-B, the site holds untapped possibilities that could be unleashed through rezoning to multifamily, mixed-use, and commercial zones. This transformation not only aligns with the city's broader urban planning goals but also promises to redefine the skyline and functionality of this prime location.

Current Zoning

The existing R-1-B zoning at 4417 Douglas Street primarily caters to low-density residential development. This zoning classification restricts the potential density and limits the types of structures that can be built on the site. With urban spaces continuously adapting to the demands of a growing population and shifting lifestyle preferences, the current zoning may not fully harness the site's capacity for contributing to the city's dynamic urban fabric.

Multifamily Zoning: Addressing Housing Demand

Rezoning to multifamily allows for higher density residential development, presenting a solution to the pressing demand for housing in Washington DC.

As the city attracts a diverse demographic, from young professionals to families, the need for well-designed, accessible housing options becomes paramount. The rezoning of 4417 Douglas Street provides an opportunity to address this demand by facilitating the construction of modern, multifamily residences, contributing to the city's housing stock and enhancing the neighborhood's vibrancy.

Mixed-Use Development: Fostering Community Integration

A transition to mixed-use zoning signifies a departure from monotonous, single-use structures to a more dynamic urban environment. By incorporating commercial spaces alongside residential units, the site can become a hub of activity, fostering a sense of community and creating a live-work-play atmosphere. Local businesses can thrive, residents gain convenient access to amenities, and the neighborhood experiences an overall uplift.

Commercial Zones: Boosting Economic Growth

Introducing commercial zones to a potential rezoning plan at 4417 Douglas Street can have a profound impact on the local economy. By allowing for the development of commercial spaces, the site becomes a potential hotspot for businesses, contributing to job creation and economic growth. This strategic mix of residential and commercial elements transforms the site into a self-sustaining ecosystem, attracting a diverse array of stakeholders.

Navigating the Rezoning Process

While the benefits are compelling, navigating the rezoning process requires collaboration between developers, city officials, and the local community. Engaging in transparent dialogue, developers can showcase how the proposed changes align with the city's long-term vision, emphasizing the positive impact on housing, community integration, and economic vitality. Addressing potential concerns and soliciting input from residents ensures a well-rounded, inclusive approach to the rezoning process.

Location Overview

02

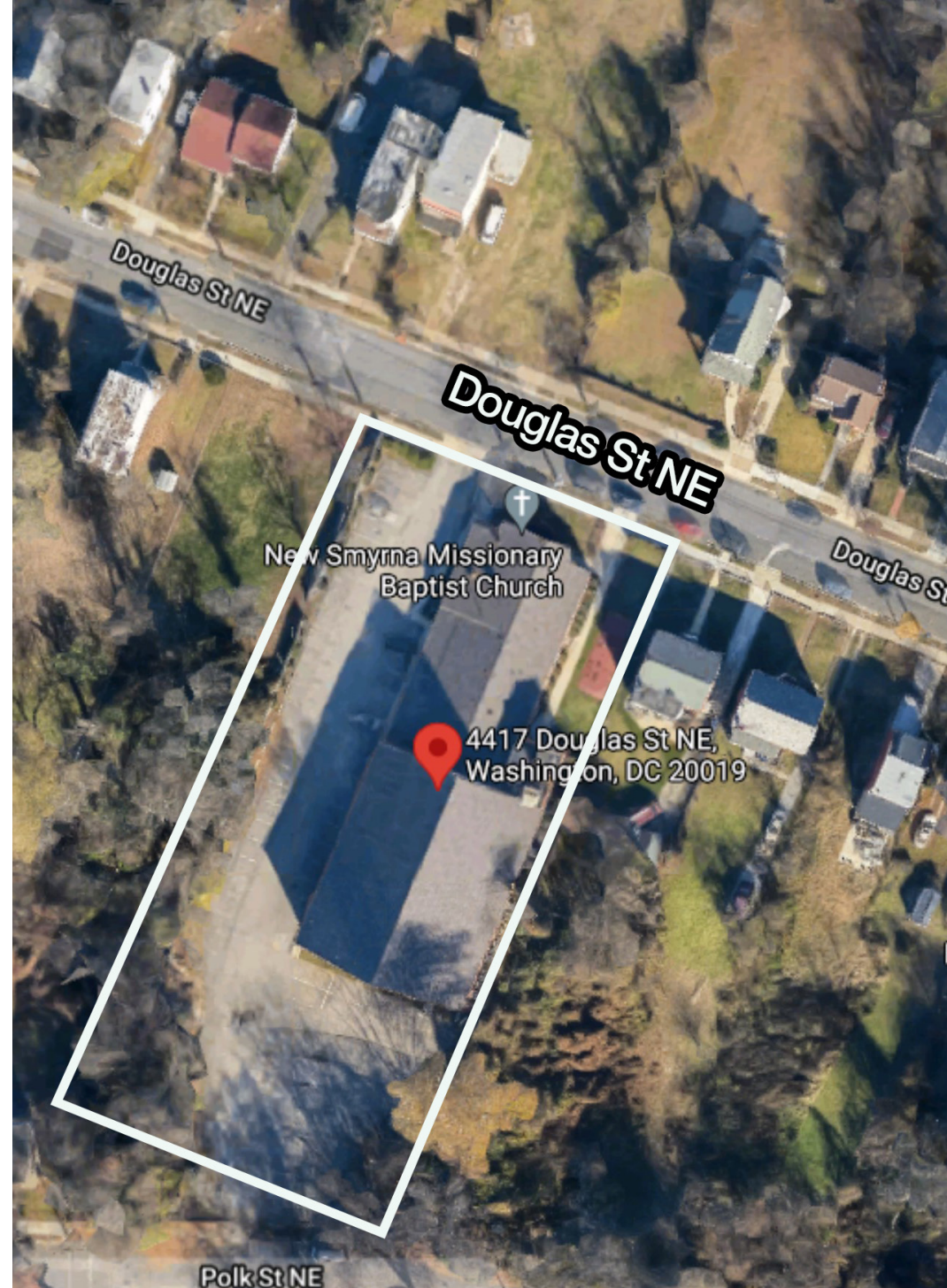
ABOUT 4417 DOUGLAS STREET NE

Nestled on the corner of Douglas Street NE, the home of New Smyrna Baptist Church at 4417 Douglas Street stands as a beacon of tranquility within the bustling landscape of Washington DC. This 15,686 square foot church, situated on a 1.07-acre site, offers a unique blend of spiritual solace and accessibility, making it a significant landmark in close proximity to both Kenilworth Avenue and Downtown Washington DC.

As the home of New Smyrna Baptist Church, 4417 Douglas Street NE provides a serene 1,000+ seat sanctuary amid the dynamic energy of Washington DC. The church's architectural elegance and expansive grounds create an atmosphere of peace and reflection, offering a refuge for worshipers seeking solace in the midst of urban vibrancy.

Beyond its spiritual significance, the church plays a crucial role as a community anchor. The welcoming ambiance of the New Smyrna Baptist Church fosters a sense of belonging, drawing together individuals and families from the surrounding neighborhoods. The church's commitment to community engagement extends its influence beyond the Sunday service, with various programs and events designed to enrich the lives of its members and neighbors.

One of the key highlights of 4417 Douglas Street NE is its strategic location in close proximity to Kenilworth Avenue. This accessibility ensures that members and visitors can easily reach the church, making it a convenient and central hub for spiritual activities. The connection to major transportation arteries enhances the church's reach, attracting a diverse congregation from various parts of the city.



Location Overview

02

ABOUT 4417 DOUGLAS STREET NE

Beyond the immediate vicinity, 4417 Douglas Street serves as a gateway to Downtown Washington DC. The church's location offers a seamless transition between the peaceful neighborhood setting and the dynamic urban center. This proximity to the heart of the city provides congregants with the opportunity to engage in both spiritual pursuits and the vibrant cultural, commercial, and social offerings of Downtown Washington DC.

The church's architectural grandeur contributes to the visual allure of the location. The meticulously designed structure stands as a testament to both faith and craftsmanship, creating a distinctive presence on Douglas Street. The 1.07-acre site surrounding the church provides ample space for outdoor activities, events, and community gatherings, enhancing the overall experience for members and visitors alike.



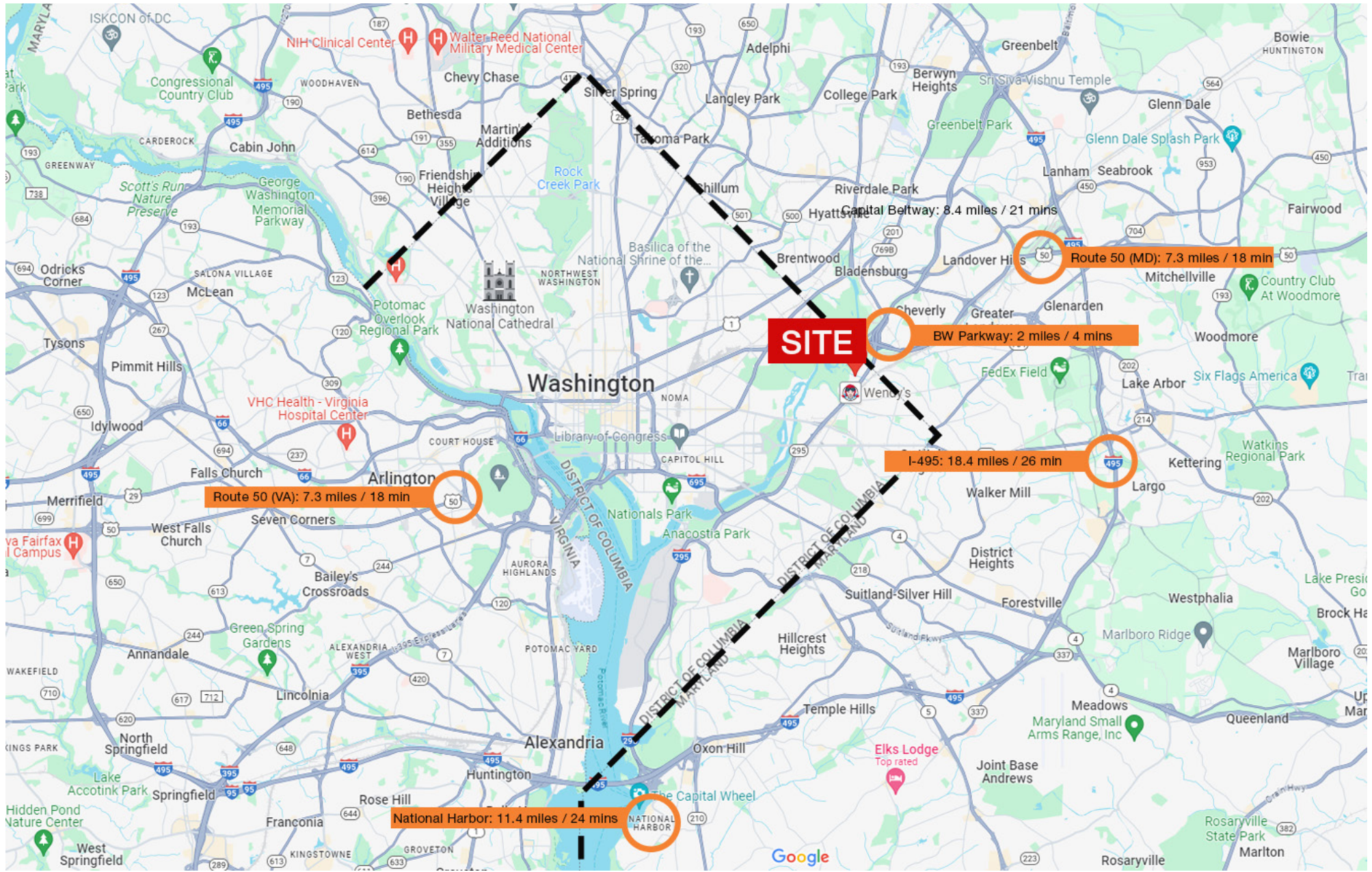
Location Aerial



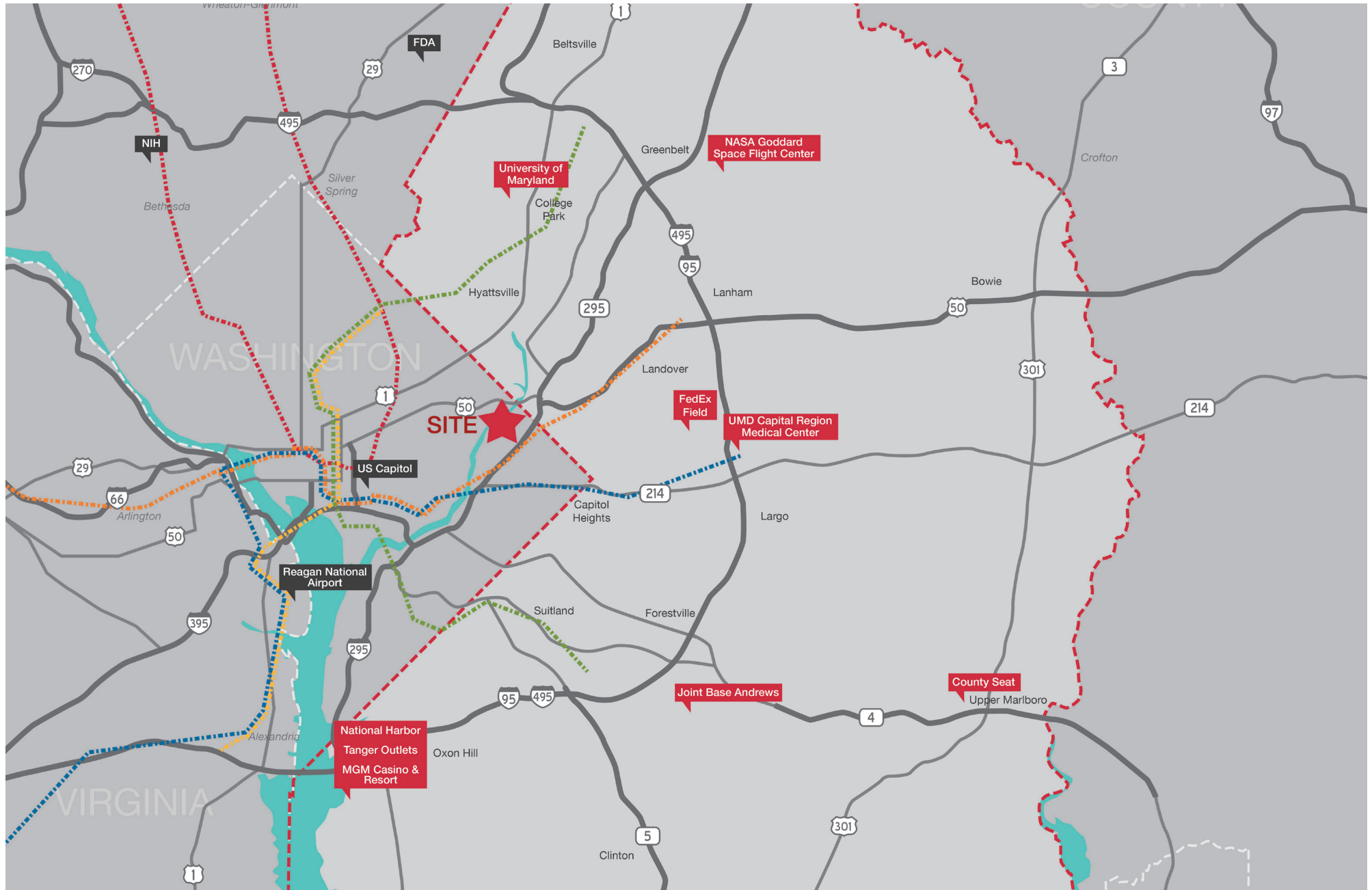
Local Amenities



Location Access



Nearby Employers



Property Photos



Property Photos



Property Photos



Property Photos



Property Photos



Kenilworth Courts Gets Underway in Washington DC

Wearing hardhats and bearing shovels, executives of The Michaels Organization, The District of Columbia Housing Authority, and The Warrenton Group gathered with federal and local officials for a ceremonial groundbreaking for the first phase of the Kenilworth Courts redevelopment in the Kenilworth-Parkside neighborhood of Washington, D.C.'s Ward 7.

“The Michaels team is so proud to be a part of this exciting redevelopment process, as it provides the opportunity to not only bring beautiful, sustainable, affordable homes to the residents of Ward 7, but it also allows us to invest in the people of the Kenilworth community, which is just as important,” said John O’Donnell, CEO of The Michaels Organization.

The first phase of the \$83 million Kenilworth Courts redevelopment includes a multifamily elevator building designated for seniors, as well as stacked flats and townhouse rentals. Of the 166 total units, 118 units will be deeply subsidized replacement public housing units and 48 units will be affordable at 50% of the Area Median Income for a family of four.






The planning process for the Kenilworth Courts redevelopment began 10 years ago after the DC Housing Authority was awarded a U.S. Department of Housing and Urban Development Choice Planning Grant. The process was organized to maximize the engagement and participation of public housing and community residents; as well as key stakeholders from the faith-based community, business interests in Kenilworth-Parkside, educational institutions, and social services organizations.

Source: The Michael’s Organization







Kenilworth Courts Development

Sale Comparables

	Address	Size	Sale Price	Price PSF	Sale Date	Purchaser	Details
	811 K Street, SE Washington, DC 20020	9,553 SF	\$4,200,000	\$439.65/SF	August 4, 2023	Mehmet Ogden	Religious Facility Built in 1995 Zoned RF-1
	3720-3724 New Hampshire Ave NW Washington, DC 20010	4,066 SF	\$2,800,000	\$688.64/SF	March 17, 2023	3720-24 NH Owner LLC	Religious Facility Built in 1909 Zoned RF-1
	217 16th St NE Universal Church of the Kingdom of God Washington, DC 20002	2,048 SF	\$1,500,000	18,240 SF	July 6, 2022	217 16th St LLC	Religious Facility Built in 1870 Zoned RF-1
	7901 Connecticut Ave First of Christ Scientist Chevy Chase, MD 20815	5,278 SF	\$3,500,000	\$663.13/SF	March 31, 2022	Columbia Country Club	Specialty Zoned R-90 Built in 1949
	8011 Old Georgetown Rd Christ Lutheran Church Bethesda, MD 20814	33,363 SF	\$20,895,350	\$626.30/SF	November 19, 2021	JLB Georgetown Road, LLC	Religious Facility Built 1950 Demolished April 2022 Sold For Land Value

Sale Comparables

	Address	Size	Sale Price	Price PSF	Sale Date	Purchaser	Details
	60 Eye Street SW Washington, DC 20024	11,120 SF	\$14,621,810	\$399.13/SF	Oct 27, 2021	60 Eye Street, LLC	Religious Facility Zoned MU-7 Built 1963
	5419 Sherier Plz NW Washington, DC 20024	2,748 SF	\$1,150,000	\$418.49/SF	October 22, 2021	5419 SHERIER PL LLC	Specialty/Religious Built in 1900 Zoned R-1-B
	1111 S Carolina Ave SE Washington, DC 20003	6,256 SF	\$2,525,000	\$403.61/SF	September 16, 2021	The Pillar Church of Washington, D.C.	Religious Facility Zoned RF-1 Built 1908
	1819 15th St NW Washington, DC 20009	2,580 SF	\$1,500,000	\$581.40/SF	May 10, 2021	1819 15th Development, LLC	Religious Facility Zoned RF-2 Built in 1870

Illustrative Redevelopment Concepts

03



Transaction Guidelines

OFFERING TIMELINE:

Following the distribution of offering materials, Brokers will be available to review information with prospective purchasers and answer any questions they may have. Prospective purchasers may schedule and conduct property tours by appointment. Offers will be reviewed by Seller upon submission by NAI Michael.

TERMS:

The Property is being offered on an “**as-is, where-is**” basis.

PROPERTY TOURS:

Property/market tours will be available by request. Per the terms of the Confidentiality Agreement, prospects agree to direct all questions to the Broker and not to contact the Seller, the tenants or the property management staff of the Property. Furthermore, prospects agree to not tour the Property without being accompanied by a representative of Seller or the Broker.

UNDERWRITING:

This is a confidential investment offering presented exclusively by NAI Michael to a select group of qualified investors. The prospective purchaser will be selected by the Seller at its sole and absolute discretion based upon a variety of factors, including but not limited to:

- Offer price & terms
- Prospective purchaser's financial strength
- Level of discretion to invest funds
- Level of property and market due diligence
- Experience with similar transactions
- Industry reputation

An investor's underwriting should reflect the following:

CLOSING COSTS:

Purchaser shall pay all closing costs. Real property transfer taxes shall be shared equally by Purchaser and Seller and each party shall pay its own attorney fees.

BROKERAGE:

Seller shall pay NAI Michael a brokerage fee per a separate agreement between NAI Michael and the Seller. There is no co-op fee being offered by NAI Michael.

SALE OFFERING

Religious Facility Investment Sale

4417 Douglas Street NE, Washington, DC

Marcus N. Daniels

Vice President

+1 301 918 2954 | mdaniels@naimichael.com



Disclaimer: The information contained herein has been given to us by the owner of the property or other sources we deem reliable. We have no reason to doubt its accuracy, but we do not guarantee it. Floor plans, site plans and other graphic representations of this property have been reduced and reproduced, and are not necessarily to scale. All information should be verified prior to purchase or lease.