BEFORE THE DISTRICT OF COLUMBIA BOARD OF ZONING ADJUSTMENT

In Re: Application No. 18651 of Peter J. Fitzgerald

OPPOSING NEIGHBOR'S RESPONSE TO APPLICANT'S BRIEF ON ROI OF PROPOSED DEVELOPMENT

This Response to the Applicant's return on investment calculations by order of the BZA is being submitted by Janet L. Schmidt personally and as a designated spokesperson on behalf of certain neighbors opposed to the Application.

The financial assumptions that form the bases of Applicant's ROI demonstrations for the alternative scenarios to his proposed project are self serving and suspect. However, in the instance where Applicant unequivocally states that he will only garner $82,000 from the proposed project for which he seeks multiple variances from the BZA, the opposing neighbors adopt the accuracy of Applicant's assertion that he will only net $82,000 in profit from the proposed development.

The ROI analysis brief Applicant has provided to the BZA in support of his request <u>does not meet</u> applicant's burden to demonstrate that Applicant will suffer an economic hardship if his development is not approved. Applicant therefore fails to provide the necessary justification for the multiple zoning variances he has requested.

Applicant's ROI Calculations For His Proposed Project Actually Demonstrate That He Will Not Suffer Any Economic Hardship That Requires Zoning Relief

Representations contained in Applicant's own ROI analysis of his proposed project make clear that Applicant does not face any economic hardship if his BZA requests are denied.

For reasons detailed below, Applicant's requests to the BZA premised on Applicant's economic hardship rationale for his BZA requests have been impeached by Applicant's own ROI analysis of his proposed project in the face of recent developments concerning the existing Lot 22 portion of the properties that are the subject of his Application.

Applicant's ROI demonstrations go to great lengths to show that Applicant will suffer severe economic hardship in the form of a negative return on investment if he is forced to pursue the alternatives of surface parking, renovated garages, artist studio, or a dwelling containing two interior parking spots as posited by the BZA.

While many of Applicant's self serving assumptions of the ROI of those alternatives may not survive careful scrutiny, any opposition regarding the ROI analysis of each of the above alternates to Applicant's requested use of the subject properties is moot for the reasons outlined below.

Applicant's ROI analysis of "the Applicant's proposed two-story dwelling with one parking space" is unequivocal. Applicant states "The hard construction costs for the proposed project are $678,000, plus additional soft costs (legal, architectural, engineering) utility connections, commissions and cost of borrowed funds of $164,000, for a total project cost of $842,643." Applicant continues by stating that: "Based on the estimated sales price of the unit of $925,000 this yields a return on investment of 9.77%."

Exhibit A to Applicant's ROI analysis for his proposed dwelling makes clear that he expects to garner a net profit of $ 82,357. Applicant concludes the ROI analysis of his proposed dwelling unit with the statement that "he intends to immediately sell the completed single family dwelling unit."

For the first time, Applicant has gone on record in identifying how much he hopes to make if the BZA accepts his assertion of economic hardship and allows him to mitigate such hardship by giving him the variances necessary to complete his proposed project so that he can earn some $82,000 on the subdivision of two pieces of land that he claims are currently without value.

On Page 8 of Applicant's Pre Hearing Statement dated October 22, 2013, under paragraph C (titled "Undue Hardship to the Owner") Applicant states: "The current condition of both garages, including lack of basic utilities for habitation, <u>preclude the Applicant from deriving any economic benefit</u> or reasonable use." Emphasis supplied.

Applicant goes on to claim "The Applicant has been unable to derive any income for years . . ."

The Applicant, having claimed economic hardship as the basis for his BZA application, has the burden to demonstrate the nature and extent of the monetary hardship which Applicant has been directed to document in his ROI analysis submitted to the Board on February 25, 2014. Applicant also has the burden of documenting his claim that he has been unable to derive any economic benefit from the property as it currently exists. Applicant likewise has the burden to document that, absent the BZA's granting of the variances requested, that Applicant will continue to suffer undue economic hardship resulting from his continued ownership of the properties in their present state.

The BZA has therefore directed Applicant to provide it with ROI analyses *that would* support his claim of economic hardship if his proposed project for the properties is not approved.

Demolition By Neglect Negates Applicant's Claim of Economic Hardship

Applicant has admitted that the properties in question have been under the same continuous ownership for some 50 years. Applicant has failed to make a showing that any reasonable amount of money has been spent over that period of time on normal maintenance and repair of the garages in question. In fact, Applicant has acknowledged that the buildings have been allowed to fall into disrepair and deterioration by his conscious choice. Evidence of "demolition by neglect" of this sort precludes Applicant from claiming economic hardship as the basis for a BZA application when such economic hardship (even if it exists) has been caused by applicant's conscious neglect of his property. Applicant's claim that the two garages have no economic value in their present state must be corroborated by the Applicant if that claim is to form the basis for a BZA request that is premised on economic hardship and the inability of the applicant to derive any monetary benefit from the subject properties as they currently exist.

APPLICANT HAS DECLINED A VERBAL $75,000 OFFER FOR LOT 22 "AS IS"

On December 18, 2013, Applicant, in front of numerous witnesses, declined an offer of $75,000 for the garage on Lot 22.

Applicant has failed to meet his burden to exhaust alternate dispositions of Lot 22 as a means of mitigating his claimed economic hardship. In his February 25, 2014 ROI analysis

Applicant on page 2, paragraph 2 states: "Potential alternatives [to the proposed project] are not economically feasible." However, the list of alternatives in Applicant analysis conveniently omits the possible alternative of selling Lot 22 in "as is" condition in the open marketplace.

Curiously, Applicant has not provided the BZA with any documentation of the purported worthlessness of the two garage properties. Applicant has provided no appraisals for either of the properties that are the subject of his request.[1] Applicant has never listed Lot 22 for sale "as is" as a way of ascertaining its market value.

Applicant recently rejected a verbal offer to purchase Lot 22 by itself for $75,000. See Transcript of January 29,2014 hearing transcript at p. 164, lines 14-16, and p. 166, lines 2-9 . Also **See attached Exhibit A,** minutes of Applicant's December 18, 2013 neighborhood meeting which were confirmed by Applicant in his hearing testimony cited above.

Applicant has declined an opportunity to avail himself of greater economic relief from the sale of one of the two garage properties in question than he seeks to gain in his ROI analysis should the BZA grant his requested variance. He is therefore not entitled to such a variance because an Applicant is required to mitigate his claimed economic hardship to the extent possible before seeking relief in the form of a zoning variance from the BZA.

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[1] It is noted that the District of Columbia Tax Assessor's Office has assigned a $60,880 value to Lot 22. (**See attached Exhibit B,**) There is no indication in the District of Columbia Tax Assessor's Office records that Applicant has ever taken issue with the District of Columbia's tax assessment of the property.

The Board is advised that a "valuation letter" was recently obtained by opponents of Applicant's request in an attempt to establish a ballpark value of the two garages in question in their current condition. (**See attached Exhibit C.**) This was done in the face of Applicant's failure to do so amidst his claims that they have no value. Admittedly, the attached valuation letter is not an appraisal, and therefore not a conclusive indication of a property's value. However, the fact that a highly experienced realtor who specializes in Capitol Hill Properties is willing to venture a total valuation on the two properties in question of as much as $300,000 provides a reasonable inference to the BZA that Lot 22 is far from having "no economic value" as claimed by Applicant in his Prehearing Statement.

Applicant has never even entertained an offer to purchase said properties as a means of deriving economic value from them which would not require a variance, and rather has left them to further deteriorate into their supposedly "worthless" state. Applicant has failed to pursue the above avenues that could have established a value for the buildings in question as they currently exist.

Applicant has instead chosen to ignore the question of the true value of the buildings by refusing the above verbal offer recently made to him for Lot 22.

APPLICANT HAS RECENTLY BEEN OFFERED MORE MONEY FOR LOT 22 THAN HE CLAIMS HE WILL MAKE IN HIS ROI ANALYSIS OF THE PROPOSED DEVELOPMENT WHICH HE ASK THE BZA TO APPROVE

A written offer to purchase existing Lot 22 (the Fernstrom Offer) was recently received by Applicant Peter J. Fitzgerald, his attorney Patrick Brown, and Applicant's designated agent John Fitzgerald by both email and fax. Upon knowledge, offeror Fernstrom is a retired bank chairman and real estate developer who purchases investment properties for cash on a regular basis. Mr. Fernstrom has a substantial net worth and is easily capable of following through on his unconditional purchase offer as outlined below.

Mr. Fernstrom's purchase offer to Applicant provides for an unconditional, all cash purchase of Lot 22 in "as is" condition as soon as a title binder can be issued for same. The purchase price offered by Mr. Fernstrom is $83,000 cash at settlement, with a $5,000 earnest money deposit to be held in escrow until closing after acceptance of the offer by the Applicant. The Fernstrom Offer even stipulates that he will pay all closing costs and conveyancing fees incident to the transaction so that the purchase price of $83,000 will also be the net proceeds of sale paid to Applicant. If Applicant were to immediately accept Mr. Fernstrom's purchase offer, it is possible that the sale of Lot 22 for $83,000 could be settled before the BZA even renders its decision on Applicant's request.

It should be evident from the offer of Mr. Fernstrom, who is a sophisticated and experienced real estate investor, that Lot 22 is worth at least $83,000 in its present state. Mr. Fernstrom only recently came forward with his purchase offer when he learned that Applicant had attached a profit value of only $82,000 to his proposed development of the lot that is before the BZA. Mr. Fernstrom intends to repair the historic carriage house on Lot 22 and use if for parking and storage. A copy of the Fernstrom purchase offer, cover letter, and deposit check that accompanied it are provided to the BZA to rebut Applicant's claim in his ROI brief that there are no economically feasible potential alternatives to Applicant's request for relief. They are attached hereto. **See Exhibit D**. Mr. Fernstrom has expressed a willingness to personally confirm the attached offer to the BZA if it so desires.

What is now clear is that, even though Applicant has avoided providing any documentation of the market value of lot 22 to the BZA incident to his claim of financial hardship, it is evident that a knowledgeable third party investor is ready, willing, and able to pay $83,000 for lot 22 in "as is" condition. Mr. Fernstrom's offer provides Applicant with the opportunity to make more money, risk free, from the outright sale of lot 22 than he has told the BZA that he will be able to make on his $842,000 speculative development venture. Given Applicant's assertions to the BZA in this regard, and his assertions that Lot 22 lacks any economic value, one is left to wonder why Applicant has not embraced the above offer, which allows him to keep the other property that is also the subject of his BZA request (Lot 827) intact.

Under the purchase offer scenario recently presented to him by Mr. Fernstrom, Applicant receives all the money he ever hoped to gain through his BZA request and gets to keep his other garage to continue to use and allow to deteriorate further as he sees fit. More importantly, Applicant's sale of Lot 22 for $83,000 would moot Applicant's questionable request that the BZA allow him to reduce the size of Lot 827 from 2204 S.F. to 1722 S.F., thus further aggravating its already non-conforming status due to its existing insufficient lot area and excessive lot coverage characteristics. See text of Mr. Jesick's January 29, 2014 hearing Testimony on behalf of the Office of Planning.

Applicant is required to mitigate his purported economic hardship before attempting to make it the basis of a request for variances from the BZA. In the face of the purchase offer he recently received, Applicant is now clearly failing to mitigate the alleged economic hardship he claims he will continue to suffer if the BZA does not grant him relief that enables him to make $82,000 on the properties in question by erecting a new house thereon and immediately selling it. The superior relief which the above purchase offer provides to Applicant also eliminates any negative impact on the neighborhood that would arise from the approval of Applicant's request and any exacerbation of Applicants currently grandfathered non conforming use of Lot 827.

In light of the above facts, which demonstrate that Applicant faces no real economic hardship in the absence of BZA approval of his request, the BZA should deny Applicant's request.

Applicant is of course free to either embrace the purchase offer or to retain ownership of both parcels which are the subject of this application. However, if Applicant decides to not sell lot 22 for $83,000, that decision should be regarded by the BZA as prima facia evidence that Applicant considers its "as is" value to be in excess of $83,000 and thus in excess of the profit he sought to garner on the development play that he has presented to the BZA.

THERE IS NO HARDSHIP TO APPLICANT FROM LEAVING LOT 827 AS IT IS BECAUSE THE OFFICE OF PLANNING HAS TESTIFIEDTHAT THE GARAGE ON THAT PROPERTY IS NECESSARY TO MEET THE ONE PARKING SPACE REQUIREMENT FOR THAT PROPERTY EVEN IF THE GARAGE IS NOT CURRENTLY BEING USED BY APPLICANT FOR PARKING.

Based on discussions with neighbors, it is estimated that the 319 A Street NE property (lot 827) currently brings in approximately $5,000 a month in rent. A portion of that annual income of $60,000 is attributable to the land under the garage on that lot because the garage contributes to the ability of the property to be used as a three apartment building, which use requires Applicant to maintain at least one regulation 9 by 19 foot parking space on the lot. As the Office of Planning has testified, not only must the garage be retained by that property, but its detachment from that lot would render the remaining income producing building in even greater non-compliance that it already is—a condition that the BZA should not create in response to Applicant's request for economic relief which can be readily obtained by Applicant's sale of Lot 22 for $83,000.

In light of the foregoing, opposing neighbors have demonstrated that Applicant has failed to meet his burden to document an irreversible economic hardship with respect to the properties which are the subject to the Application, should he be consigned to continuing to own them in their current configuration and condition.

THE BOARD SHOULD DENY APPLICANT'S REQUEST BECAUSE THERE IS A DEMONSTRATED LIKELIHOOD THAT APPLICANT CAN IMMEDIATELY SELL LOT 22 AND THEREBY MITIGATE HIS CLAIMED ECONOMIC HARDSHIP IF HE SO DESIRES

It has now been demonstrated that there is a reasonable likelihood that Applicant can realize the profit he projects on the proposed development he asks the BZA to approve by other means, i.e., the sale of Lot 22 "as is" to a third party buyer such as Mr. Fernstrom.

IF THE BOARD CONCURS WITH THE FOREGOING RATIONAL FOR DENYING APPLICANT'S REQUEST, THEN IT LITERALLY NEED NOT READ ANY FURTHER. OTHERWISE THE FOLLOWING ADDITIONAL INFORMATION IS PROVIDED OUT OF AN ABUNDANCE OF CAUTION AND TO PRESERVE THE RECORD IN THE EVENT OF AN APPEAL AND TO REBUT OTHER NON-ROI ISSUES INAPPROPRIATELY RAISED BY APPLICANT IN HIS ROI BRIEF.

In an abundance of caution and to ensure that Neighbors opposed to this application have preserved the record should an appeal arise, the following additional argument is provided to the BZA in response to arguments made in what was only suppose to be Applicant's requested ROI analysis. Specifically, Applicant used that ROI analsis as a vehicle for supplementing the record with argument regarding alleged undisputed facts, the testimony of the representative of the Office of Planning and the absence of a report that Applicant was directed by the BZA to obtain from the DC DOT.

Applicant uses the instance of his required ROI analysis as an opportunity to rebut the testimony and report of Mr. Jesick of the Office of Planning, even though such argument has no relevance to the economic hardship issue that the Board seeks to better understand through the required ROI analyses contained in Applicant's brief. Accordingly, it is appropriate for opponents of Applicant's request to be afforded the opportunity to reply to Applicant's out of time rebuttal of the Office of Planning testimony on February 2, 2014.

Opponents hereby dispute each and every one of the "undisputed facts" included in Applicant's ROI brief of February 25, 2014 as follows:

*The existing garages are regularly used for the parking of Applicant's service vehicles.

*Applicant provided no documentation that the garages are "entirely unsafe and unsuitable for parking."

*If Lots 827 and 22 were cleared for surface parking, they would accommodate more than 2 usable parking spaces.

*Applicant states that trash cans "can be stored inside the structure and that utility meters "can" be located inside the proposed structure but has not proffered that they will in fact be put inside the proposed structure.

Since Applicant has taken the occasion of his BZA ordered ROI analyses as an opportunity to present "undisputed facts" in this matter, opposition submission of "undisputed facts" may be deemed appropriate by the Board, as follows:

1. Applicant's total development and sales cost of $842,643 for his proposed project as contained in his ROI analysis is adopted and undisputed for purposes of this response.

2. Applicant's projected sales price for his proposed project $925,000 is adopted and undisputed for purposes of this response.

3. Applicant's projected $82,000 profit from the sale of his proposed development contained in his ROI analysis is adopted and undisputed for purposes of this response.

4. The $82,000 profit projected by Applicant represents the full extent of the claimed economic hardship for which he seeks relief in his BZA application.

5. Applicant has been presented with a valid, unconditional written cash offer in the amount of $83,000 for just the Lot 22 portion of the property which is the subject of his BZA request.

6. Applicant is a sophisticated real estate developer/investor with the knowledge and experience necessary to have accurately ascertained the market value of Lot 22 prior to making application to the BZA for relief.

7. Applicant in his Pre Hearing Statement has stated that Lot 22 has no economic value by itself, as is, and therefore needs to be combined into the proposed development in order for it to provide him any economic benefit.

8. Applicant never rebutted OP's opposition testimony in the BZA hearing while the record was open.

9. Applicant has provided no documentation as to the market value of Lot 22 in it current condition

APPLICANT HAS NOT PROVIDED THE PARKING INFORMATION REQUESTED BY THE BZA

Applicant in his ROI brief did not do what the board directed him to do— provide it a response from DC DOT whether or not parking in the alley in front of the proposed project is legal or illegal. Applicant has offered a partial quote of a parking regulation that offers the impression that there is no potential for parking in the court if his application is granted. The Board is still left with the unanswered question as to whether or not a purchaser of the proposed house could petition for the right to parallel park two cars in the alley in front of their new home.

Respectfully Submitted,

/s/ Janet L. Schmidt

Janet L. Schmidt
Schmidtjanetlouise@yahoo.com

CERTIFICATE OF SERVICE

I hereby certify that this 5th day of March, 2014, a copy of the foregoing brief and accompanying exhibits were served by email on John Patrick Brown, Esq. counsel for Applicant Peter J. Fitzgerald at his email address: JPB@GDLLAW.com.

Mr. Brown at: Greenstein DeLorem and Luchs, PC
1620 L Street NW
Suite 900
Washington, DC 20036

/S/Janet L. Schmidt

EXHIBIT A

SEE HIGHLIGHT TEXT ON PAGE 2

From: kwallace97@verizon.net [mailto:kwallace97@verizon.net]
Sent: Monday, December 30, 2013 8:52 AM
To: JPB@gdllaw.com; skwall4@verizon.net; info@capitolhillstay.com; snolde@verizon.net; donnamarcus308@gmail.com; elliotelsenberg@gmail.com; mcdonald20009@yahoo.com; jayeelleschmidt@gmail.com; schmidtjanetlouise@yahoo.com; kwallace97@verizon.net; hansen@amhmail.com; jn50th2@aol.com; sclain@maxinter.net; hansensusan@verizon.net; harkabsp@hotmail.com; schmidlepj@mac.com
Cc: kmo@gdllaw.com; JBD@gdllaw.com; johnhardyfitzgerald@gmail.com; msullivan@sullivanbarros.com
Subject: Meeting minutes from Dec 18.

Minutes from December 18, 2013 meeting:

(The following notes are not in the specific order of the discussion of the meeting.)

Construction was broken down to phase 1 and phase 2. Phase 1 is the demolition of the current structure and the building of the shell. Phase 2 is the interior construction.

Construction hours were again discussed. The neighbors who were present were ok with the hours of construction being 8:00am to 6:00pm Monday thru Friday for Phase 1. For Phase 2 the neighbors who were present were ok with the 7-7 hours as long as any noisy work not commence until after 8 am, especially on Saturday.

There will be a dumpster placed inside one of the garage spaces while the building is being removed. This dumpster will not be placed in any public space. After the initial demolition construction debris will be removed daily.

The neighbors who have private trash collection stated that they do not want the construction workers lunch trash or construction trash placed in the private trash collection pins.

Currently there is no demolition permit issued; however there is approval for razing the current structure.

The parking of construction vehicles was brought up. The owners of the private parking space in Miller's Court reiterated that they did not want the construction vehicles or worker vehicles parking in Miller's court. In the past they have had workers for Fitzgerald properties and tenants and guest from the Miller's court apartments parking in the private spots. They also expressed the problem of people parking in front of the Miller's court apartments and how it makes it very difficult for the residents to park in the private parking spots.

The question was raised if Mr. Fitzgerald would request temporary Zone 6 parking passes for the construction workers vehicles. Mr. Fitzgerald said he was not able to say no to this question.

There was some discussion about closing the alley at different times based on scaffolding or ladders being placed in the alley for building the structure.

The gas meter will be placed in the alley public space on the 4th St. side of the alley. There was discussion about ways to place this inside the structure. It was discussed that this meter has not been placed on the plans. It was further discussed that there would be bollards placed around the gas meter which would be placed in the space on the 4th St. side of the alley.

The suggestion was made for Mr. Fitzgerald to contact the neighborhood churches to discuss using the church parking spaces for construction workers parking.

Mr. Fitzgerald stated that demolition would take about 2 days.

The air conditioning unit will be on the roof.

The question came up about what the current structure (as garages) would sell for. Mr. Fitzgerald said $35-$40k. Ms. Schmidt offered Mr. Fitzgerald $75K for the one on the right and $150K for the one on the left. Mr. Fitzgerald declined the offer.

The address of the current structure was discussed. It will have a Miller's Court address, most likely 320, however, the district assigns the address and that won't be determined until after BZA approval.

It was discussed that the neighbors would be provided the contact info for someone for construction issues that are going on.

There was discussion about the feasibility of someone buying the property and then renting it out. Mr. Fitzgerald was asked how much he would be asking for the property and he said $900-$950K. He felt as a business man that this made the sale of the property for rental purposes not a good decision.

The property would be assigned a single family dwelling which would mean it could have up to 6 non related people living in it. This again brought up a discussion of the design of the building and parking associated with that number of people living in the property. A neighbor asked why they didn't design the building with two garages downstairs and the living spaces upstairs. Mr. Fitzgerald said that design wouldn't work because there would be no living space. Current design has 3 bedrooms upstairs and a living space and garage on the downstairs side.

Mr. Fitzgerald stated that the water line would come up the alley from A St. NE to Miller's Court. Mr. Fitzgerald stated that this would take 3-4 days. The District would be doing the work and they would be adding a new water line not connecting to the current line. Mr. Fitzgerald stated that he did not believe the neighbors would lose water for long periods of time. Mr. Fitzgerald did not know when during construction that the District would put in the new water line. The neighbors expressed skepticism that this process would take 3-4 days.

The current utility pole would be replaced with a taller pole and the utilities moved higher. Mr. Fitzgerald contacted someone about the utility pole being replaced but he did not find out the impact of replacing the pole on the neighbors (disruption of internet, phone, and cable). The neighbors expressed concern about this since some use internet for working at home and for school work. Mr. Fitzgerald was asked again to find out what the impact to the neighbors would be for replacing the pole.

Mr. Fitzgerald stated that he would be required to pay the District to fix the alley for any parts that are dug up.

The shadow study was discussed about the loss of sunlight to 315 and 317 A St. NE during the mornings in the winter.

There was a discussion about taking this issue back to the ANC. It was stated by both Mr. Fitzgerald and the neighbors that they do not believe that the ANC would bring the issue back to the ANC even if the neighbors requested it.

It was also brought up that the letter that the ANC submitted to the BZA was not an accurate reflection of the neighbors. The neighbors acknowledge that they should have been aware of ANC meetings and attend them to express their concern but the neighbors also stated that they should have been notified of the ANC meeting and that they did not believe that Mr. Fitzgerald acted in good faith to let the neighbors know about the ANC meeting. Mr. Fitzgerald stated that the ANC told him he only needed to contact 3 of the neighbors, the owners of 321, 317 and the Miller's Court Apartment. The neighbors asked that Mr. Fitzgerald to submit something to the BZA to say that the BZA should not put much weight on the ANC approval letter. Mr. Fitzgerald declined to do this.

Mr. Brown discussed preparing a development/construction management agreement which will be submitted to the BZA to be incorporated as a BZA conditions. The agreement draft will be sent out the first full week of January and another meeting to discuss the draft.

The neighbors at 317, 314, 325, and 327 were unable to attend this meeting.

People present:

Pat Brown – lawyer
John Fitzgerald – property owner
Donna McLean and Marcus Peacock– neighbor
Karen and Andrew Wallace – neighbor
Chris and Sylvia Nolde – neighbor
Sue Clain – neighbor
Janet Schmidt – neighbor

EXHIBIT B

Property Detail

Address: 0321 A ST NE
SSL: 0786 0022

Record Details			
Neighborhood:	CAPITOL HILL	**Sub-Neighborhood:**	C
Use Code:	14 - Residential-Garage	**Class 3 Exception:**	No
Tax Type:	TX - Taxable	**Tax Class:**	001 - Residential
Homestead Status:	** Not receiving the Homestead Deduction		
Assessor:	MITCHELL HAMBURGER		
Gross Building Area:		**Ward:**	6
Land Area:	490	**Triennial Group:**	2

Owner and Sales Information	
Owner Name:	PETER J FITZGERALD FITZGERALD PROP/ G1
Mailing Address:	1447 DOLLEY MADISON BLVD; MC LEAN VA22101-6039
Sale Price:	Not Available
Recordation Date:	Not Available
Instrument No.:	

Tax Year 2015 Preliminary Assessment Roll	**Current Value (2014)**	**Proposed New Value (2015)**
Land:	$39,200	$39,200
Improvements:	$20,650	$21,680
Total Value:	$59,850	$60,880
Taxable Assessment: *	$59,850	$60,880

* Taxable Assessment after Tax Assessment Credit and after $70,200 Homestead Credit, if applicable. (Click here for more information).

** If you believe you should be receiving tax relief through the Homestead deduction program and if you are domiciled in the District and this property is your principal place of residence, you can access the link below, complete the form, and return it per the instructions. For additional information regarding the Homestead program, call (202)727-4TAX. Click here to download the Homestead Deduction and Senior Citizen Tax Relief application *

EXHIBIT C

DocuSign Envelope ID: F22CF916-B89A-4556-AC   3BB91635F00

Tom Faison Group
RE/MAX Allegiance, Eastern Market
220—7TH Street SE, Washington, DC 20003

Ms. Janet Schmidt
14—Fourth Street NE
Washington, DC 20002

Re. BZA Application No. 18651, 2 garages @ rear of 319 & 321 A Street NE

Dear Ms Schmidt:

I've been selling and pricing real estate in Washington, DC for more than 23 years, with an emphasis on Capitol Hill properties; on average, including both Sellers and Purchasers, about 50 transactions per year.

I've lived within a mile of the subject property for 30 years and have seen alley garages since that time, within The Capitol Hill Historic District, increase in value from $75,000 for a single garage in 1995, to as much as $150,000 for single space, 1-car garage currently, if it can be found.

Without any consideration for development or highest and best use, I firmly believe the subject property has substantial present value as garages for parking, with depth for additional storage space. I would expect them to sell together "as is" for use as parking garages for $300,000 minimum, because of demand for close-in Capitol Hill parking.
They're located 3 blocks from the Capitol Grounds, 2 blocks from the Library of Congress and the Supreme Court.

The garage @ 1418 G Street SE, cited by Applicant, is too far away from the Capitol to be relevant to the value of subject property.
I understand this letter will be referenced to the Board of Zoning Adjustment regarding the above Application for variance.

Sincerely,

DocuSigned by:
Tom Faison 2/24/2014
CAE60B9ADAF143A
Tom Faison, Associate Broker, GRI
202.255.5554

#1 RE/MAX Team in DC since 2006, #6 all brokers, city-wide 2013

EXHIBIT D

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*** FAX TX REPORT ***
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TRANSMISSION OK

JOB NO.	1515
DESTINATION ADDRESS	912024521410
PSWD/SUBADDRESS	
DESTINATION ID	
ST. TIME	03/03 12:48
USAGE T	01'41
PGS.	5
RESULT	OK

John R. Fernstrom
29242 Park View Drive
Dagsboro, DE 19939

March 3, 2014

VIA FAX TO (202-452-1410) AND EMAIL TO (jpb@gdllaw.com).

John P. Brown, Jr.
Greenstein Delorme & Luchs, PC
1620 L Street NW
Suite 900
Washington, DC 20036

Re: Former stable building at the rear of 321 A Street NE (Square 786 lot 22)

Dear Mr. Brown:

I am directing this letter to you in your role as legal counsel for Peter Jerry Fitzgerald, who apparently holds title to the above referenced property in his capacity as Trustee under Item Ninth of the Will of Joseph Fitzgerald, Jr., deceased. If you do not represent Mr. Fitzgerald's interests with respect to a possible sale of the property, I would ask that you let me know that and either forward this offer to him or inform me as to how I may do so.

I was a real estate developer and bank chairman in the D.C. area and continue to engage in real estate investment for my own account. Attached for Mr. Fitzgerald's consideration is my unconditional cash offer to purchase the above stable property. If Mr. Fitzgerald accepts my offer, then I will immediately obtain a title insurance binder for the property from Capitol Title with the intent of having them conduct a closing within 10 days thereafter.

As you can see from my purchase offer, I will be paying the closing costs and conveyancing fees associated with the transaction such that it is a net deal for your client. Also, you will note that, in conjunction with this offer, I am making an earnest money deposit in the amount of $5,000 into the escrow trust account of Michael Taylor, Esq. to bind my performance under the proposed contract. Upon contract acceptance, the deposit will be transferred to Capitol Title pending closing.

While my offer stands until the 18th of March, it would be helpful to hear from you at your earliest convenience if an expeditious settlement of this transaction is desired. I will be mailing you an original of the attached offer as well. If you have any questions, I can best be reached by email at JohnRFernstrom@hotmail.com. Thanks for your attention to this matter.

John R. Fernstrom
29242 Park View Drive
Dagsboro, DE 19939

March 3, 2014

VIA FAX TO (202-452-1410) AND EMAIL TO (jpb@gdllaw.com).

John P. Brown, Jr.
Greenstein Delorme & Luchs, PC
1620 L Street NW
Suite 900
Washington, DC 20036

Re: Former stable building at the rear of 321 A Street NE (Square 786 lot 22)

Dear Mr. Brown:

I am directing this letter to you in your role as legal counsel for Peter Jerry Fitzgerald, who apparently holds title to the above referenced property in his capacity as Trustee under Item Ninth of the Will of Joseph Fitzgerald, Jr., deceased. If you do not represent Mr. Fitzgerald's interests with respect to a possible sale of the property, I would ask that you let me know that and either forward this offer to him or inform me as to how I may do so.

I was a real estate developer and bank chairman in the D.C. area and continue to engage in real estate investment for my own account. Attached for Mr. Fitzgerald's consideration is my unconditional cash offer to purchase the above stable property. If Mr. Fitzgerald accepts my offer, then I will immediately obtain a title insurance binder for the property from Capitol Title with the intent of having them conduct a closing within 10 days thereafter.

As you can see from my purchase offer, I will be paying the closing costs and conveyancing fees associated with the transaction such that it is a net deal for your client. Also, you will note that, in conjunction with this offer, I am making an earnest money deposit in the amount of $5,000 into the escrow trust account of Michael Taylor, Esq. to bind my performance under the proposed contract. Upon contract acceptance, the deposit will be transferred to Capitol Title pending closing.

While my offer stands until the 18th of March, it would be helpful to hear from you at your earliest convenience if an expeditious settlement of this transaction is desired. I will be mailing you an original of the attached offer as well. If you have any questions, I can best be reached by email at JohnRFernstrom@hotmail.com. Thanks for your attention to this matter.

Sincerely,

John R. Fernstrom

Enclosure: Purchase offer agreement with copy of earnest money deposit

cc: John Fitzgerald (with enclosure) via email to: chip@fitzprop.com

AGREEMENT TO PURCHASE REAL ESTATE

The undersigned (herein "Purchaser") hereby offers to purchase from the owner (herein "Seller") the real estate located at the rear of 321 A Street NE in the city of Washington, County of N/A, State of District of Columbia, the legal description of which is: Square 786 Lot 22 comprising a land area of 490 SF, more or less, along with a brick garage structure thereon.

upon the following terms and conditions:

1. Purchase Price and Conditions of Payment

The purchase price shall be Eighty three thousand Dollars ($83,000.00) to be paid in accordance with subparagraph "A", below:

A: Cash. The purchase price shall be paid in its entirety in cash at the time of closing the sale.

B: Cash Subject to New Mortgage. The purchase price shall be paid in cash at the time of closing the sale subject, however, to Purchaser's ability to obtain a first mortgage loan within _________ days after the acceptance of this offer by Seller in the amount of $____________, payable in not less than ____________ monthly installments, including interest at a rate not to exceed ___________% financing. If such financing cannot be obtained within the time specified above then either Purchaser or Seller may terminate this agreement and any earnest money deposited by Purchaser will be promptly refunded.

C: Cash Subject to Existing Mortgage. The purchase price shall be paid in cash at the time of closing the sale after deducting from the purchase price the then outstanding balance due and owing under the existing mortgage in favor of ____________, dated ____________, 20___, in the original amount of $______________; of such mortgage debt is approximately $______________ as of _______________, 20____.

D: Cash With Assumption of Existing Mortgage. The purchase price shall be paid in cash at the time of the closing of the sale after deducting from the purchase price the then outstanding balance due and owing under the existing mortgage in favor of _____________, dated _______________, 20___,having a present balance of approximately $________________________, as of _____________, 20___, which the purchaser hereby assumes and agrees to pay in accordance with its terms and to perform all of its provisions; purchaser shall pay any and all payments coming due after the closing of the sale. Any transfer fees required by the mortgage shall be paid by______________.

E: Sale by Land Contract. The purchase price shall be paid in accordance with the certain land contract attached hereto and incorporated into this contract by this reference. The down payment to be made at the time of closing this sale shall be $___________ and the balance of $___________ shall be paid at the rate of _________% per annum.

2. Earnest Money Deposit

As earnest money Purchaser deposits $ $5000.00 with the broker which shall be applied to the purchase price at the time of closing the sale. In the event that this offer is not accepted by Seller this earnest money deposit shall be promptly refunded to Purchaser by the broker. In the event that this offer is accepted by Seller and Purchaser shall fail to perform the terms of this agreement the earnest money deposit shall be forfeited as and for liquidated damages suffered by Seller. Seller is not, however, precluded from asserting any other legal or equitable remedy, which may be available to enforce this agreement.

3. Real Estate Taxes, Assessments, and Adjustments

Real Estate Taxes accrued against the property shall be prorated through the date of closing the sale and Seller shall pay all taxes allocated to the property through that date of acceptance of this offer to purchase. Rents, if any, shall be prorated through the date of closing and all rent deposits shall be transferred to Purchaser. Existing casualty insurance shall be canceled/prorated through the date of closing.

4. Title to the Property

Seller shall provide purchaser prior to the closing and promptly after the acceptance of this offer, at Seller's expense and at Seller's option an abstract of title to the property brought down to date or an owner's policy of title insurance in an amount equal to the purchase price, said abstract of policy to show marketable or insurable title to the real estate in the name of Seller subject only to easements, zoning and restrictions of record and free and clear of all other liens and encumbrances except as stated in this offer. If the abstract or title policy fails to show marketable or insurable title in Seller a reasonable time shall be permitted to cure or correct defects. Seller shall convey title to Purchaser at the time of closing by a good and sufficient general warranty deed free and clear of all liens and encumbrances except as otherwise provided in this offer and subject to easements, zoning and restrictions of record.

5. Possession of the Property

Purchaser shall be given possession of the property on __the closing date__, 20____. A failure on the part of Seller to transfer possession as specified will not make Seller a tenant of Purchaser, but in such event Seller shall pay to Purchaser $ N/A__________ per day as damages for breach of contract and not as rent. All other remedies, which Purchaser may have under law, are reserved to Purchaser.

6. Risk of Loss

The risk of loss by destruction or damage to the property by fire or otherwise prior to the closing of the sale is that of Seller. If all or a substantial portion of the improvements on the property are destroyed or damaged prior to the closing and transfer of title this agreement shall be void able at Purchaser's option and in the event Purchaser elects to avoid this agreement the earnest money deposited shall be promptly refunded.

7. Improvements and Fixtures Included

This offer to purchase includes all improvements, buildings and fixtures presently on the real estate including but not limited to electrical, gas, heating, air conditioning, plumbing equipment, built-in appliances, hot water heaters, screens, storm windows, doors, Venetian blinds, drapery hardware, awnings, attached carpeting, radio, television antennas, trees, shrubs, flowers, fences and

Property is sold "as is". Seller to remove the contents of garage on the property prior to closing.

8. General Conditions

It is expressly agreed that this agreement to purchase real estate includes the entire agreement of Purchaser and Seller. This agreement shall be binding upon the heirs, personal representatives, successors and assigns of both Purchaser and Seller. This agreement shall be interpreted and enforced in accordance with the laws of the State of __District of Columbia__.

9. Special Conditions

Notwithstanding Para. 4, Purchaser, not Seller, shall obtain the title insurance binder for the property after Seller's acceptance hereof.
Purchaser shall pay the closing costs and conveyancing fees of this transaction such that the purchase price herein is net to Seller
There is no broker. Therefore deposit to be held in escrow by Michael Taylor, Esq. per Para. 2

10. Time for Acceptance and Closing

This offer is void if not accepted by Seller in writing on or before 5 PM A.M./P.M. of the 18th day of March, 2014.

Closing of the sale shall take place 10 days after Purchaser's receipt of an abstract showing marketable title in Seller or title insurance binder showing insurable title in Seller.

This offer is made at Washington, State of District of Columbia, this 3rd day of March, 2014

John R. Fernstrom
(PURCHASER)

____
(PURCHASER)

Acceptance by Seller

The foregoing offer to purchase real estate is hereby accepted in accordance with the terms and conditions specified above. The undersigned hereby agrees to pay a brokerage fee of $ N/A to N/A, broker, in accordance with the existing listing contract.

Dated this ______ day of ______, 20___.

Peter Jerry Fitzgerald
(SELLER)

____
(SELLER)

WSFS bank

We Stand For Service

500 Delaware Ave., Wilmington, DE 19801

118227 / M 11725-Y

THIS DOCUMENT HAS AN ARTIFICIAL WATERMARK PRINTED ON THE BACK. THE FRONT OF THE DOCUMENT HAS A MICRO-PRINT SIGNATURE LINE. ABSENCE OF THESE FEATURES WILL INDICATE A COPY.

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DATE March 3, 2014

FIVE THOUSAND DOLLARS AND ZERO CENTS

AMOUNT
*******$5,000.00

PAY TO THE ORDER OF

MICHAEL TAYLOR ESQ AS ESCROW AGENT
SQ786 LOT 22
EARNEST MONEY

DRAWER: WILMINGTON SAVINGS FUND SOCIETY, FSB

RUB HERE
COLOR FADES WITH HEAT

ISSUED BY: MONEYGRAM PAYMENT SYSTEMS, INC.
P.O. BOX 9476, MINNEAPOLIS, MN 55480

DRAWEE: THE BANK OF NEW YORK MELLON
EVERETT, MA

AUTHORIZED SIGNATURE

MP