



January 24, 2014

Chairman Lloyd Jordan
Board of Zoning Adjustment
Suite 210S
Washington, DC 20001
441 4th Street, NW

Dear Chairman Jordan & Members of the Board:

I have been a real estate agent in Washington DC since 2004 and I have transacted hundreds of properties during this time. I am currently the Principal Broker at Lindsay Reishman Real Estate where I oversee 22 agents, while continuing to actively sell real estate myself. I have been retained by Lock 7 Development, LLC (the "Applicant") to provide a market analysis for its proposed development project at 1348-1356 Florida Avenue, NE. I have visited the site and I am aware of the Applicant's other residential products. This letter summarizes my opinion regarding the expected rental income and/or sales prices for residential units at the proposed development.

I have reviewed the rental rates and sales prices that the Applicant has provided to the Board of Zoning Adjustment, and I agree with these expected rental rates and sales prices for a variety of reasons including the market, interest rate fluctuations, delivery time, and potential permitting and construction delays.

The floor-to-ceiling height of residential dwellings impacts the rental and sales values of those units. Alternative scenarios would be negatively impacted by reduced floor-to-ceiling heights. While lower floor-to-ceiling heights are accepted in older buildings, it is the industry standard for newer residential units to provide higher floor-to-ceiling heights.

Based on the proximity of the Property to Florida Avenue, the Starburst Intersection, and the busy fire station across the street, first floor residential units at the Property will be more difficult rent or sell. These units will take longer to rent or sell and will rent and sell for less than would ordinarily be the case.

In addition, new residential units that are further from retail options conflict with smart growth and impact the value of such units. Allowing first floor retail, as intended by the commercial zoning at the Property and as promoted by smart growth principles, prevents the decrease in rental and sales values of the residential units if such retail could not be included.

Based on my analysis of the plans, sales and rental comparables, and knowledge of the area, the rental rates and sales prices that the Applicant has provided are both reasonable and appropriate. Feel free to contact me should you have any questions or require further explanation.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Lindsay Reishman'.

Lindsay Reishman