

BZA APPLICATION NO. 18795 OF LEW HAGES AND GERARD BOQUEL
2123 TWINING COURT, NW

TESTIMONY OF DAVID SMITH, J STREET COMPANIES

My name is David Smith. I am Senior Vice-President of Investments Sales and Leasing at J Street Companies, and I represented Mr. Hages and Mr. Boquel in their acquisition of 2123 Twining Court, NE. I am a licensed commercial broker in the District of Columbia, Maryland, and Virginia.

As part of my practice over the last 27 years, I have acquired an in-depth knowledge of the commercial and multi-family residential real estate markets in the District.

2123 Twining Court has in the past been operated as a commercial building, most recently as a bar/nightclub, and prior to that as a restaurant. As the neighborhood surrounding the Twining Court property has matured over the years, the viability of this property for commercial use has changed dramatically. The Property is literally surrounded by residential uses, including a group of row houses to the south, half of which are also essentially alley lots, as they front onto a court inside this square, large apartment buildings to the west, northwest, and southwest, and a hotel to the north.

The previous owner of the Property was wrapping up his bar/nightclub business as my clients were searching for a home in Dupont Circle. My client paid less than full price for the Property, and it is understandable that there was no successful competing bidder from the commercial realm. The relative market value in this part of Dupont Circle between residential uses and commercial retail uses, combined with the isolated location of this single property, is such that it would be extremely difficult to sustain the Property as a commercial use. Such difficulty created a risk which precluded any commercial enterprise from purchasing and operating this Property.

In addition, as the residential properties in Dupont Circle have become more valuable, residential owners have a greater interest in the uses surrounding their properties and the possible negative impacts from such uses.

For these reasons, the continued use of the Property for a commercial use became difficult, and its conversion to a one-family dwelling presented itself as the most viable option for its restoration and continued maintenance.

COMMERCIAL

DAVID SMITH

David joined the firm in 1987 as a Senior Vice President of Investment Sales and Leasing. His role includes the marketing of assets, macro and micro market analysis, lease negotiation and transaction analysis, preparation of legal documents and coordination with attorneys in transactions.

David has sold over 200,000 square feet of land for development to area investors and developers. He formed and led an association of these owners to promote and expedite the potential development of over two million square feet of commercial, residential and retail buildings in Anacostia, an under-served urban area of Washington, DC. In addition, David was involved in the assemblage of over \$50 million of properties in an industrial section of Washington, DC near Capitol Hill with the purpose of developing a master plan of mixed use development, including retail, office and residential space to comply with special legislation.



David represented the Boys and Girls Clubs of Greater Washington in the strategic monetization of their real estate assets worth \$35 million, including the structuring of a public private partnership with the District of Columbia and private schools according to DC City Council legislation. He has also represented international and domestic pension funds, associations, businesses, unions, banks and individuals in the sale, purchase and leasing of commercial office, retail, multifamily buildings and warehouses. His clients include SITQ Immobilier of Canada, New York Life, Greystone Realty Corporation, Scanamerica Real Estate Management, Kiplinger Publishers, Graphics Communication International Union, British Aerospace (GTE/Marconi), Amalgamated Bank of New York and Prudential Bache, among others.

Prior to J Street, David served as a Legislative Aide to U.S. Senator David Pryor and worked as a Marketing Consultant for the Arkansas Industrial Commission in Little Rock. He is married with two daughters and lives in Washington, DC.

Licenses

District of Columbia, Maryland and Virginia