

Marcus & Millichap  
THE ZUPANCIC GROUP

2024

# MODO APARTMENTS WASHINGTON, DC

OFFERING MEMORANDUM

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# MULTIFAMILY CONTACTS

## MARTY ZUPANCIC

Senior Vice President Investments  
O (202) 536-3788 | M (202) 379-8383  
Marty.Zupancic@MarcusMillichap.com

## RYAN MURRAY

Associate  
O (202) 536-3777 | M (301) 404-7965  
Ryan.Murray@MarcusMillichap.com

## NICK MURRAY

Senior Associate  
O (202) 536-3784 | M (301) 586-7010  
Nick.Murray@MarcusMillichap.com

## JOHN SLOWINSKI

Associate  
O (202) 536-3780 | M (301) 792-6760  
John.Slowinski@MarcusMillichap.com

## ANDREW PACIOUS

Associate  
O (202) 536-3725 | M (703) 310-8504  
Andrew.Pacious@MarcusMillichap.com

## CARTER KANE

Associate  
O (202) 536-3741 | M (301) 500-8003  
Carter.Kane@MarcusMillichap.com

## OPERATIONS

### SUSIE ASHLEY

Marketing & Operations Manager  
O (202) 536-3785  
Susan.Ashley@MarcusMillichap.com

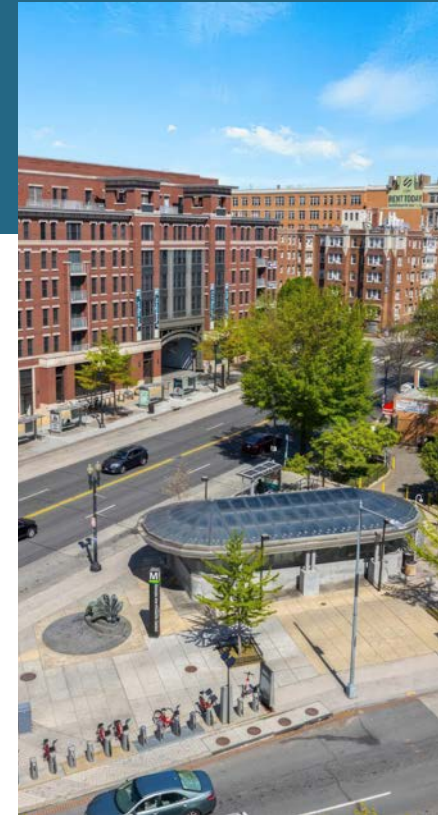
### AUSTIN PARKER

Multifamily Analyst  
O (202) 536-3787  
Austin.Parker@MarcusMillichap.com



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# EXECUTIVE SUMMARY

Section 01

Marcus & Millichap  
THE ZUPANCIC GROUP





# THE OFFERING

## OFFERING OVERVIEW

As the exclusive listing broker, The Zupancic Group of Marcus & Millichap is excited to present Modos Apartments, a premier Class A mixed-use asset comprising of 17 multifamily units and one ground-floor retail bay. Strategically situated on the corner of New Hampshire Ave NW and Georgia Ave NW, directly opposite the Georgia Ave-Petworth Metro Station, Modos Apartments offers unparalleled convenience and accessibility. Built in 2022, this asset is exempt from rent control restrictions, presenting a rare and enticing opportunity for investors to acquire a non-rent controlled, Class A property in a prime location. With minimal to zero deferred maintenance, Modos represents an exceptional investment opportunity with significant potential for long-term growth and profitability.

## THE ASSET

Modos Apartments consists of 17 multifamily units and a 3,400 rentable square foot ground-floor retail unit (with the potential to be divided into two separate retail units). Each of the 17 multifamily units is a spacious three-bedroom, two-bathroom layout, ranging from 945 to 1,095 square feet. The property boasts high income potential with an average in-place rent of \$3,290. Modos Apartments totals 22,920 gross square feet on a 4,674 square foot lot zoned NC-8. The units feature premium amenities such as wood grain flooring, in-unit washer/dryer, recessed lighting, gloss cabinets, Silestone countertops, and polished chrome fixtures. Additionally, residents can enjoy the rooftop lounge and other communal spaces. With seven vacancies, new ownership can lease units at market rates, further enhancing the property's value and income potential.

## THE LOCATION

Strategically positioned at the corner of New Hampshire Ave NW and Georgia Ave NW, Modos Apartments enjoys a prime location in the bustling Petworth neighborhood. Residents benefit from a plethora of nearby restaurants and retail options, contributing to the vibrant atmosphere of the area. Furthermore, the property's proximity to the Georgia Ave-Petworth Metro Station, located directly across the street, ensures tenants' convenient access to public transportation. With a Walk Score of 96, Transit Score of 70, and Bike Score of 90, the neighborhood offers unparalleled convenience and accessibility, enhancing the appeal of Modos Apartments as a desirable living destination.



# INVESTMENT HIGHLIGHTS

MODO APARTMENTS PRESENTS AN ATTRACTIVE OPPORTUNITY FOR AN INVESTOR TO PURCHASE A NEWLY BUILT, TURNKEY CLASS A ASSET LOCATED IN THE HEART OF THE PETWORTH NEIGHBORHOOD IN NORTHWEST DC.



## NON-RENT CONTROLLED TURNKEY, NEWLY BUILT CLASS A ASSET

Modo Apartments is a turnkey, Class A asset built in 2022. Being newly built, the property is not subject to rent control regulations, enabling new ownership to increase rents to market rates immediately. Additionally, with minimal to no deferred maintenance, new ownership stands to benefit from a property in excellent condition, enhancing its appeal and potential for long-term returns.



## HIGH-END FEATURES AND FINISHES

The property features top-of-the-line finishes, including premium wood grain flooring, recessed lighting, polished chrome kitchen features, arctic subway tile backsplash, Silestone white zeus countertops, and more. Modos Apartments also includes a rooftop lounge and rooftop outdoor space.



## IDEAL UNIT MIX

Modo Apartment's exclusive focus on three-bedroom units gives it a significant advantage in the market. With units ranging from 945 SF to 1,095 SF, Modos Apartments stands out by catering to a diverse tenant base, including families and roommates. This strategic unit mix not only differentiates it from competitors but also allows for higher rental income and longer tenant stays, ensuring stability and competitiveness in the market.





### TRANSIT-ORIENTED LOCATION

Situated in the Petworth neighborhood, Modo Apartments enjoys exceptional transit accessibility with impressive scores across the board. The property caters to residents' diverse transportation needs by boasting a 96 Walk Score, 70 Transit Score, and 90 Bike Score. Its prime location directly opposite the Georgia Ave-Petworth Metro Station, servicing the Green Line, further enhances its appeal and convenience for commuters and residents.



### GROUND FLOOR RETAIL

Modo Apartments features a 3,400-square-foot ground-floor retail bay. The retail is currently vacant, providing new ownership with flexibility in leasing. This presents an opportunity to diversify income revenue by attracting retail tenants that complement the residential aspect. With the potential for cafes, convenience stores, or boutiques to enhance the overall experience for residents, integrating retail adds significant value while maximizing profitability.



### NEARBY PLETHORA OF RESTAURANTS & RETAIL

Modo Apartments benefits from its proximity to a plethora of restaurants and retail establishments, offering tenants convenient access to dining and shopping options within walking distance. Popular dining spots nearby include Timber Pizza Co., El Torogoz, Menya Hosaki, The Pitch Tavern, Cinder BBQ, and various other choices.





# SUMMARY OF TERMS

## MODO APARTMENTS

### INTEREST OFFERED

One hundred percent fee-simple interest in a Class A mixed-use asset, totaling 17 multifamily units and 1 retail unit, on a 4,674 square foot lot located at 3709 New Hampshire Avenue NW, Washington, DC 20010.

### TERMS OF SALE

The property is being offered on a market-bid basis.

### PROPERTY TOURS

All property tours will be conducted by appointment only and must be scheduled directly with the listing agents. Prospective purchasers, their vendors, or their affiliates may not visit the property or gain property access without being accompanied by the listing agents. At no time shall the tenants or property management be contacted by a prospective purchaser without prior written approval from Marcus & Millichap.

### DUE DILIGENCE AND CLOSING

The buyer's due diligence and closing timeline will be a consideration in the buyer selection process. All appropriate information will be made available at that time. It is the buyer's responsibility to confirm all of the information contained herein independently. Any projections, opinions, assumptions, or estimates used herein are for example purposes only and do not represent the current or future performance of the property. All costs and expenses incurred by the buyer will be the sole responsibility of the buyer.

### OFFER PROTOCOL

A formal offer deadline will be held on Friday, May 3rd, 2024 at 5:00 PM.

# PROPERTY OVERVIEW

SECTION 02



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# PROPERTY DETAILS

## MODO APARTMENTS

3709 New Hampshire Avenue NW, Washington, DC  
20010

### PROPERTY INFORMATION

Neighborhood	Petworth
Multifamily Units	17
Retail Bays	1
Building Class	A
Gross Square Feet	22,920
Lot Square Feet	4,674
Zoning	NC-8
Year Built	2022
Parcel Number (APN)	3030-0000-7000 3030-0000-0807
Parking	On-Street Parking

UTILITIES	TYPE	PAID BY
Heating	Electric	Landlord
Cooking	Electric	Landlord
Cooling	Electric	Landlord
Unit Power	Electric	Landlord
Hot Water	Gas	Landlord
Water & Sewer	Standard	Landlord

\*Ownership charges a Utility Reimbursement Fee of \$217  
Unit/Month

# AMENITIES AND FEATURES

## LIVING

- Premium wood grain flooring
- Blomberg washer and dryer
- Recessed lighting
- Rooftop lounge and rooftop outdoor space
- Available parking

## KITCHENS

- White high gloss upper cabinets
- Wood finish lower cabinets in obsidian
- Delta trinsic polished chrome kitchen fixtures
- Daltile arctic subway tile backsplash
- Silestone white zeus extreme countertops

## BATHROOMS

- Delta polished chrome bathroom fixtures
- Stone source light gray large format floor tile
- Daltile arctic subway tile shower
- Silestone white zeus extreme vanities

## GREEN

- American made cabinets and accessories
- Specialty paint with voc-free colorants
- Sustainable carpet employing new efficient manufacturing technologies
- Rooftop green area reduces heat gain and transmission for the entire building
- LED lighting throughout
- Exterior lighting meets dark skies requirements reducing light pollution.
- Water bottle filler in the lobby

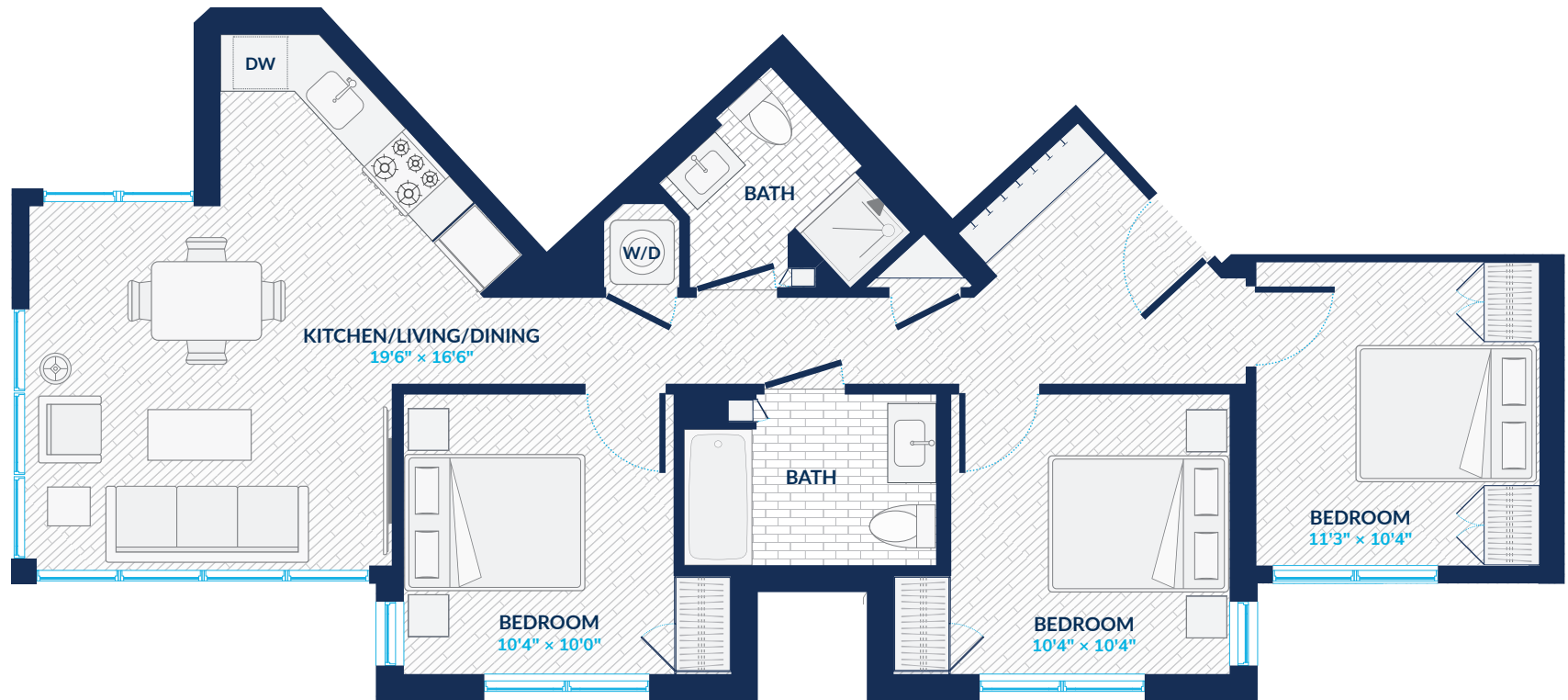
# MODO FLOOR PLANS (LAYOUT 1)

UNITS 201, 301, 401, 501  
3 BEDROOM / 2 BATHROOM



# MODO FLOOR PLANS (LAYOUT 2)

UNITS 202, 302, 402, 502  
3 BEDROOM / 2 BATHROOM





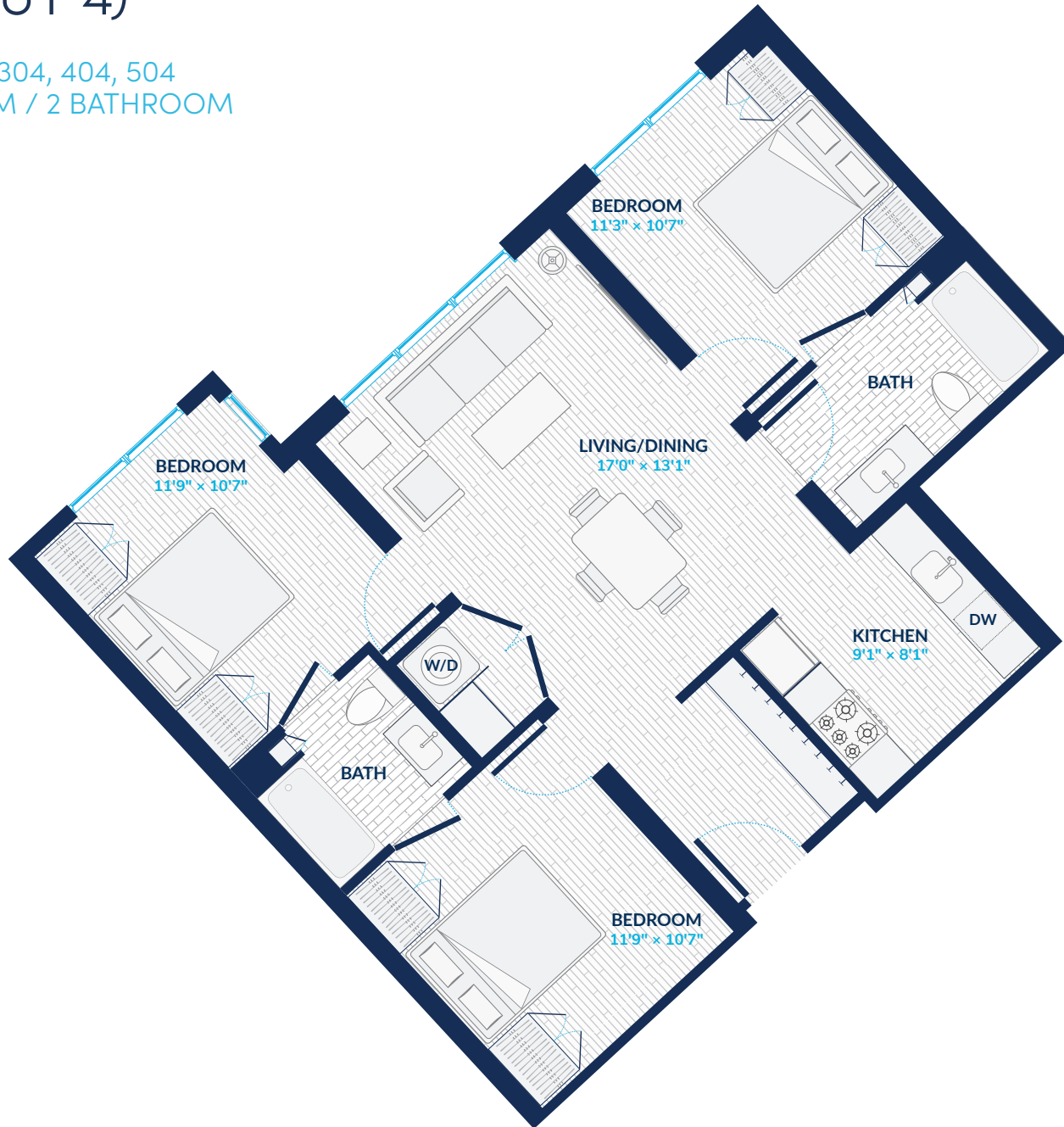
# MODO FLOOR PLANS (LAYOUT 3)

UNITS 203, 303, 403, 503  
3 BEDROOM / 2 BATHROOM



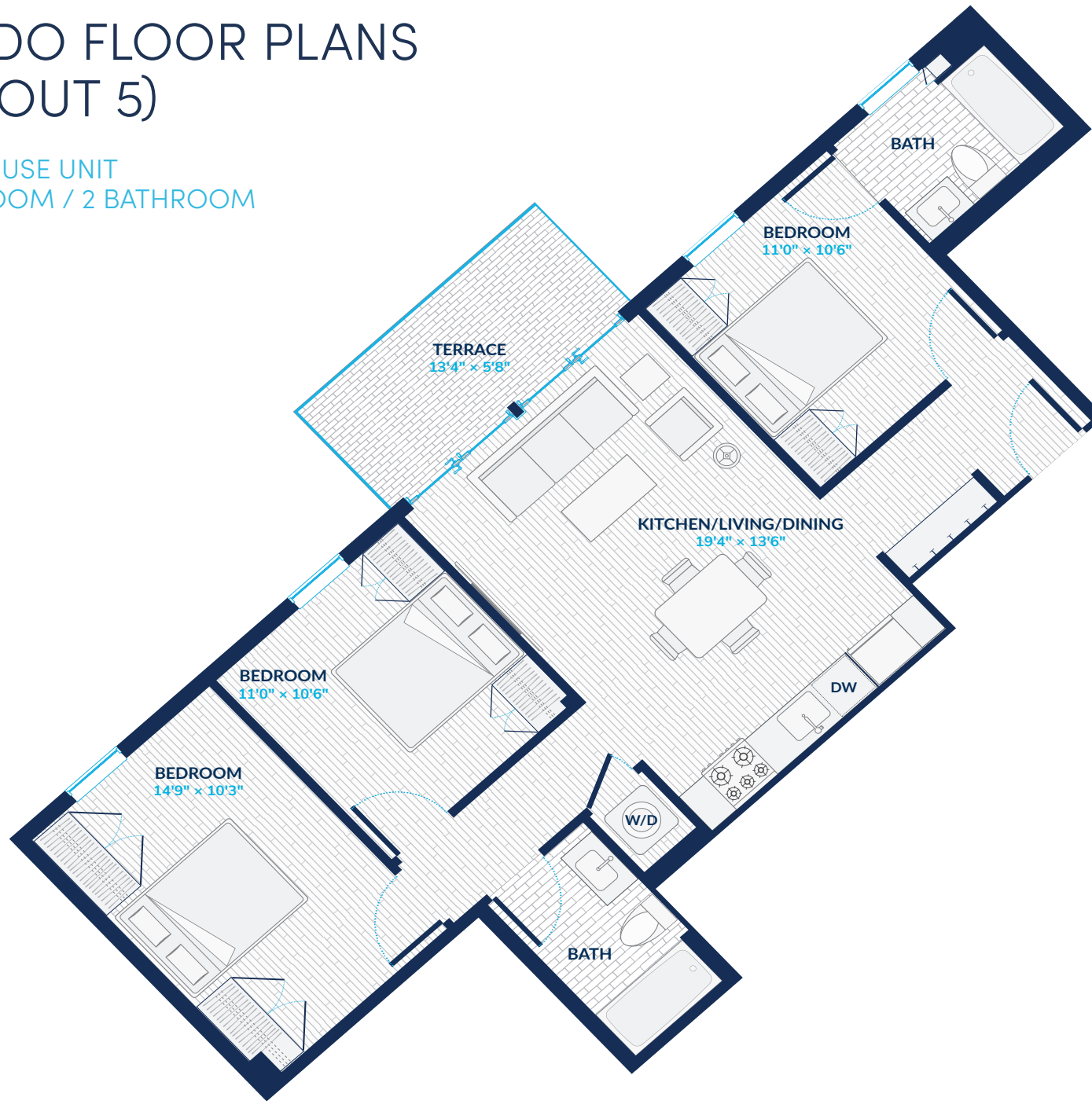
# MODO FLOOR PLANS (LAYOUT 4)

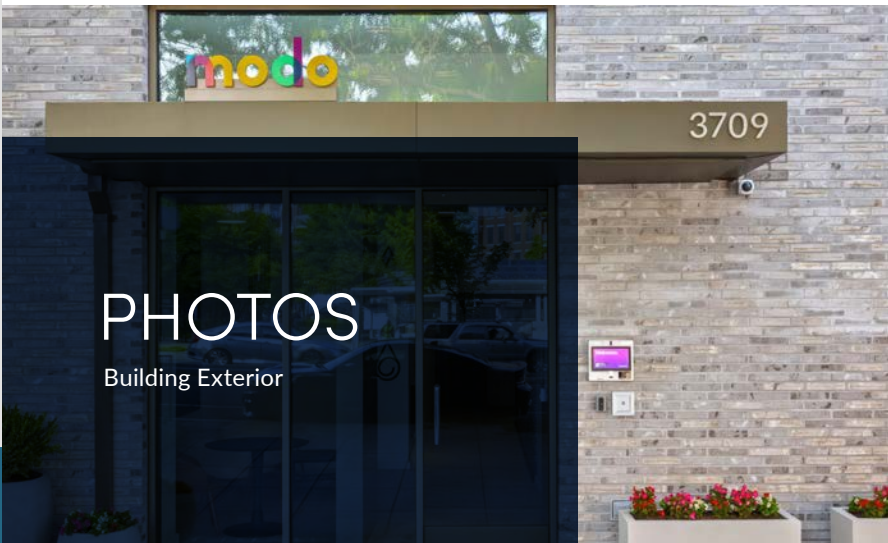
UNITS 204, 304, 404, 504  
3 BEDROOM / 2 BATHROOM



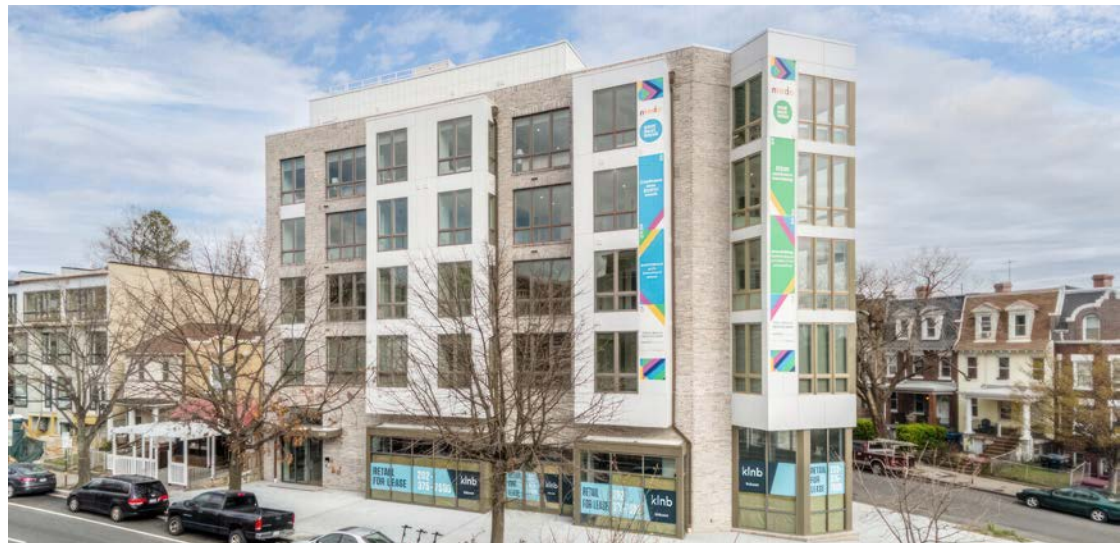
# MODO FLOOR PLANS (LAYOUT 5)

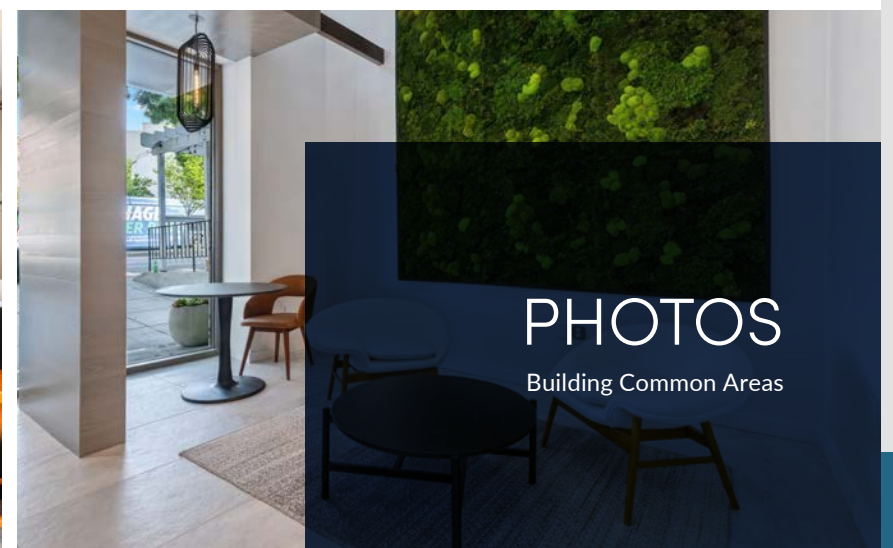
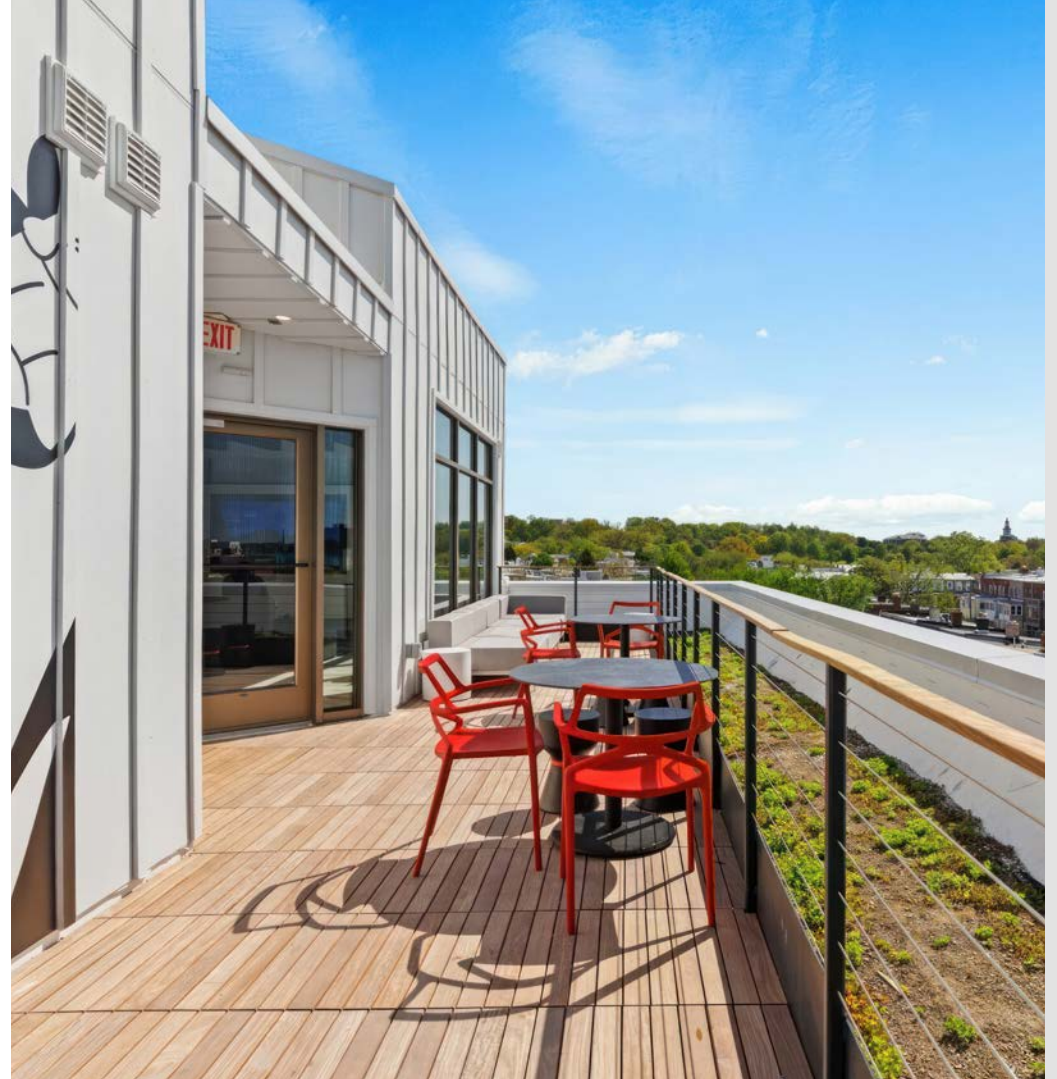
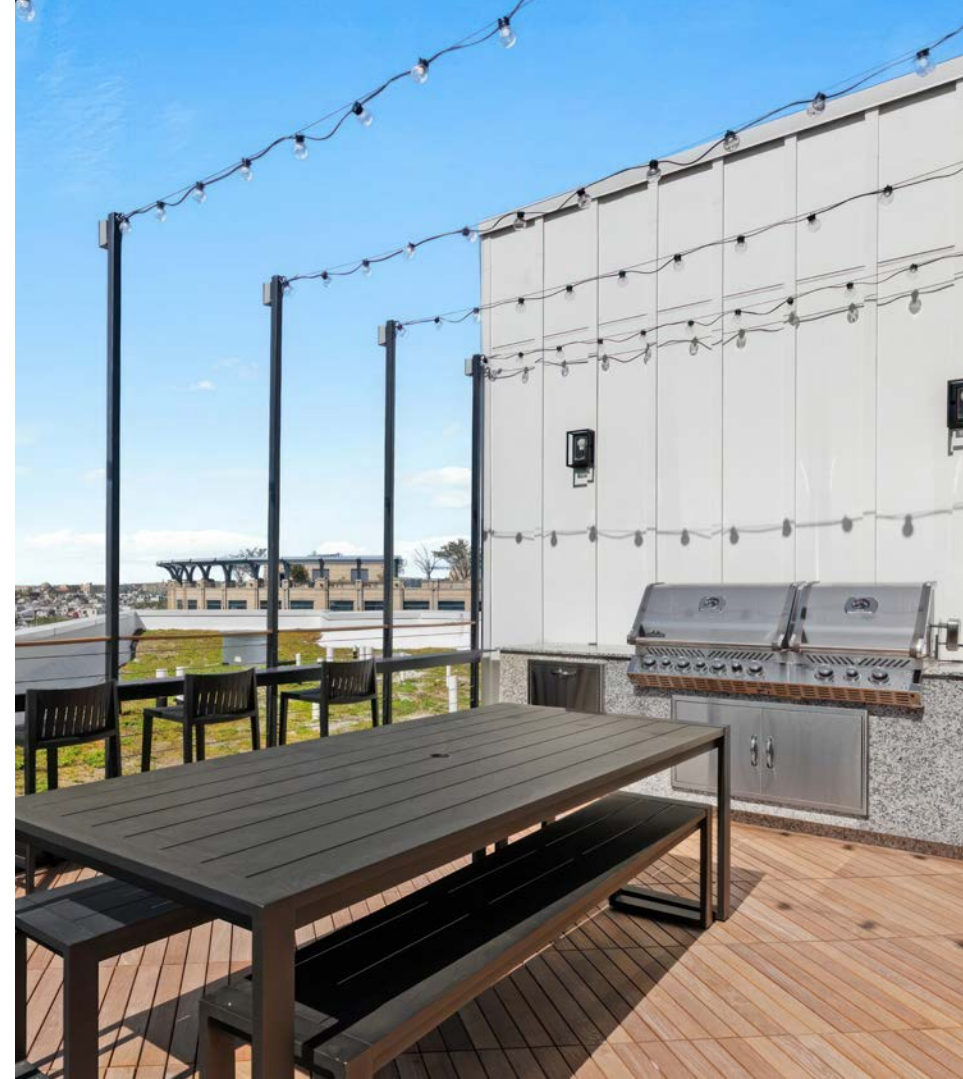
PENTHOUSE UNIT  
3 BEDROOM / 2 BATHROOM





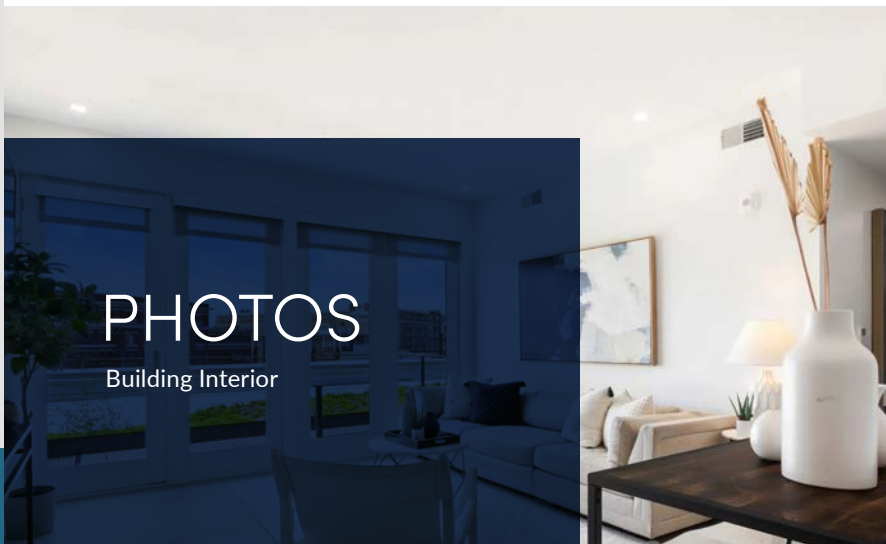
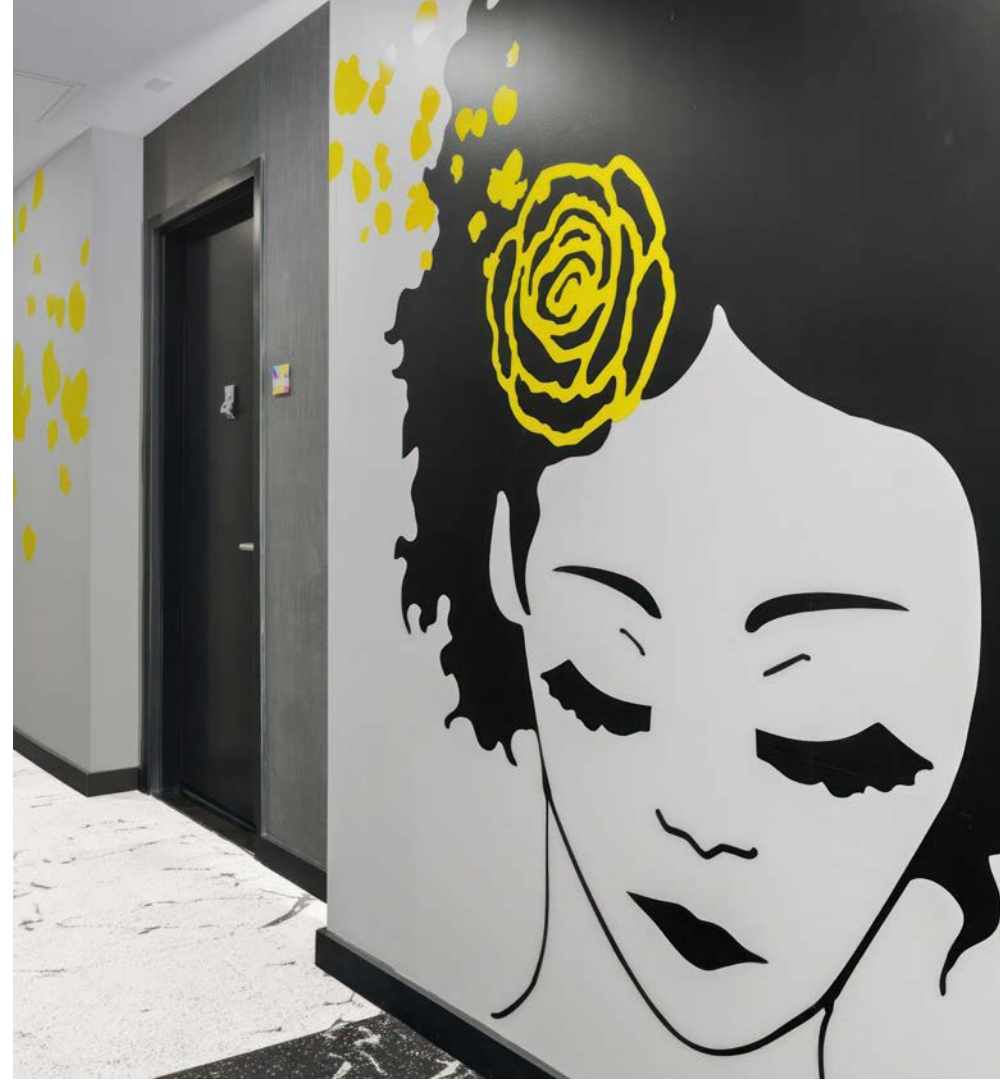
PHOTOS  
Building Exterior





# PHOTOS

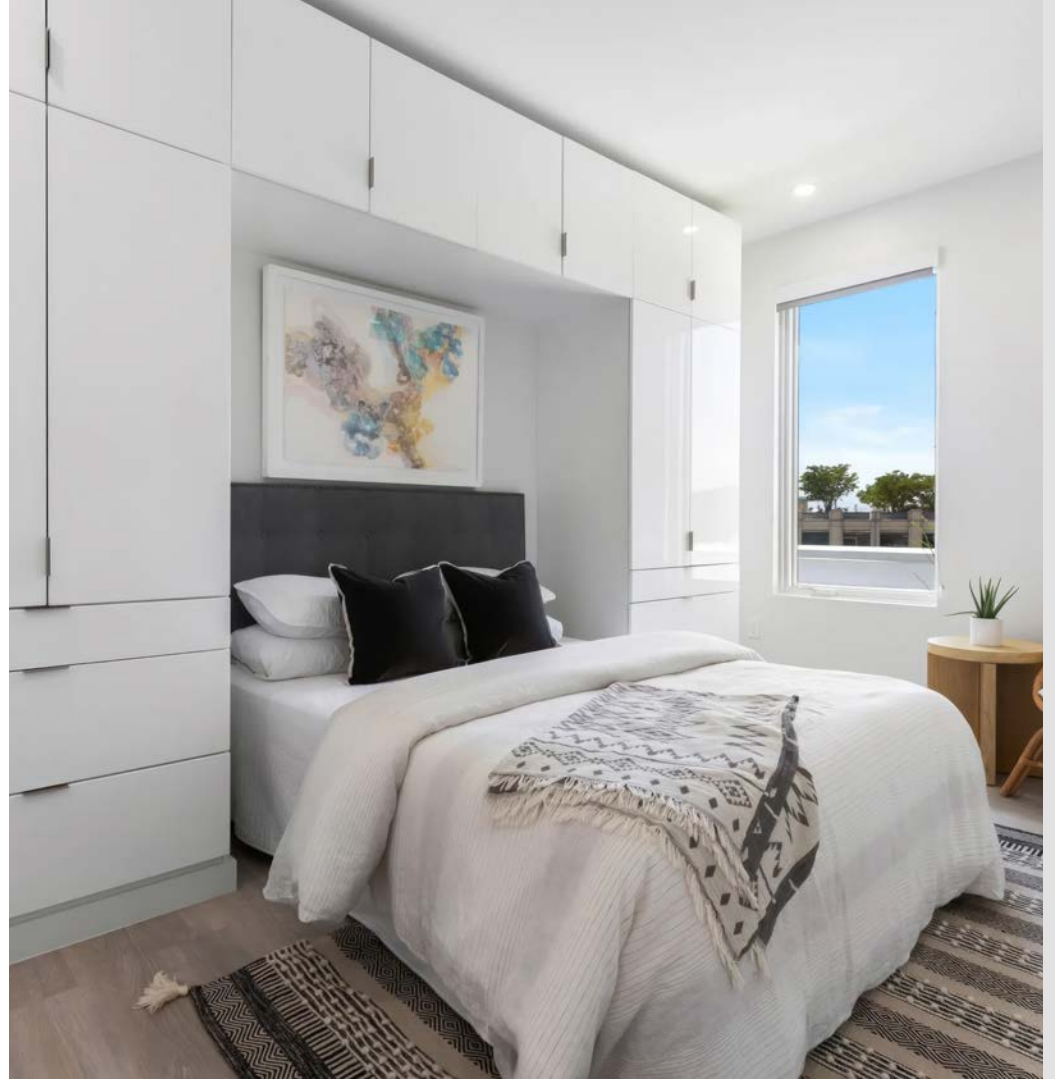
Building Common Areas



# PHOTOS

Building Interior





# PHOTOS

Building Interior

# THE NEIGHBORHOOD



SECTION 03

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PETWORTH

WASHINGTON, DC

MARYLAND

VIRGINIA

# REGIONAL AERIAL

Washington, DC MSA





# PETWORTH

## PETWORTH OVERVIEW

Founded in 1887, Petworth is home to approximately 41,000 people with an average household income of about \$120,000. The neighborhood is anchored by the Georgia Ave-Petworth Metro Station, servicing the green and yellow lines and providing residents access throughout Washington, DC, Maryland, and Virginia. Petworth is also home to a wide variety of restaurants and retail. A few examples include Capitol Cider House, Pantry, Commonwealth Cantina, Menya Hosaki, Timber Pizza Co, Cinder BBQ, Taqueria Del Barrio, Safeway, Yes! Organic Market, Starbucks, Dunkin, and Buna Coffeehouse. The presence of strong national brands mixed with an abundance of local restaurants makes Petworth a desirable neighborhood for renters. Additionally, the neighborhood's proximity to Rock Creek Park provides residents a convenient escape from the city, driving further rental demand.

## FORECASTED TRENDS

Over the next decade, the forecasted average annual apartment rent growth in Petworth is 2.2%, according to Yardi Matrix. Tailwinds, including short-term material shortages, inflation, and strong demand for apartments, will help drive rent growth over this period. The average vacancy is also expected to decrease to 2.6% from the previous decade's average of 5.8%, excluding Covid-19. In addition, Petworth's population is projected to grow 2.44% over the next five years from 41,357 to 42,367 people, and the number of households is expected to grow 3.58% from 15,543 to 16,099. Solid rent growth, decreasing vacancy, and a growing population make Petworth an attractive neighborhood for investment now and into the future.

## AREA AMENITIES AND HIGHLIGHTS

- Yes! Organic Market Petworth
- Buna Coffeehouse
- Timber Pizza Company
- Backyard Smoke Spot BBQ
- Hen & Fin
- Taqueria Del Barrio
- Safeway
- Petworth Ace Hardware
- Capitol Cider House
- Starbucks
- Sherman Circle
- Grant Circle Parks
- CVS Pharmacy



DAVE'S HOT CHICKEN

BLACK LION MARKET

PHO VIET

TAQUERIA HABANERO

ST. VINCENT WINE

RAYMOND RECREATION CENTER

PETWORTH ACE HARDWARE

THE MIDLANDS BEER GARDEN



OMARI'S MUSIC BAR

LOOKING GLASS LOUNGE

PANTRY



THE PITCH TAVERN

YES! ORGANIC MARKET

PARK VIEW RECREATION CENTER



1865 STEAK SEAFOOD & CIGARS

CAPITOL CIDER HOUSE

SAFARI DC

MODO APARTMENTS

BUNA COFFEEHOUSE

CINDER BBQ

TAQUERIA DEL BARRIO

TIMBER PIZZA COMPANY



# MARKET AERIAL

Modo



# PETWORTH RESTAURANTS & RETAIL

## RESTAURANTS/BARS

1. THE MIDLANDS BEER GARDEN
2. ST VINCENT'S WINE BAR
3. SAFARI DC
4. HONEYMOON CHICKEN
5. SAN MATTEO
6. CINDER BBQ
7. THE PITCH TAVERN
8. MARY BAR GRILL
9. ICE 'N SLICE
10. SNAPPY'S SMALL BAR
11. 1865 STEAK SEAFOOD & CIGARS
12. PHO VIET
13. PANTRY
14. BURGERIM & KRISPY KRUNCHY CHICKEN
15. THE HUT
16. LOOKING GLASS LOUNGE
17. KATSOUPRINIS PIZZA SQUARED
18. FISH IN THE NEIGHBORHOOD
19. DC KABOB & GYRO
20. SANGRIA BAR AND GRILL
21. CALL YOUR MOTHER DELI
22. MISTER ROTISSERIE
23. HOUSE OF PUPUSERIA AND TACO
24. TABLA

25. OMARI'S MUSIC BAR
26. HEAT DA SPOT CAFÉ
27. DOUBLES
28. LUX DC BAR & LOUNGE
29. SKYLIT LOUNGE

## GROCERY STORES/SUPERMARKETS

1. SAFEWAY
2. YES! ORGANIC MARKET
3. GIANT
4. TARGET
5. LIDL
6. 7-ELEVEN
7. BLACK LION MARKET

## TELECOMMUNICATIONS

1. T-MOBILE
2. BOOST

## BANKS

1. WELLS FARGO
2. TRUIST
3. BANK OF AMERICA
4. CHASE
5. CITIBANK

## SHIPPING

1. FEDEX
2. THE UPS STORE
3. UNITED STATES POSTAL SERVICE

## RETAIL

1. TARGET
2. OLD NAVY
3. MARSHALLS
4. NEW YORK FASHION
5. THE POPULAR STORE DC
6. WILLOW
7. LOFT
8. ROSS
9. URBAN OUTFITTERS

## PHARMACIES

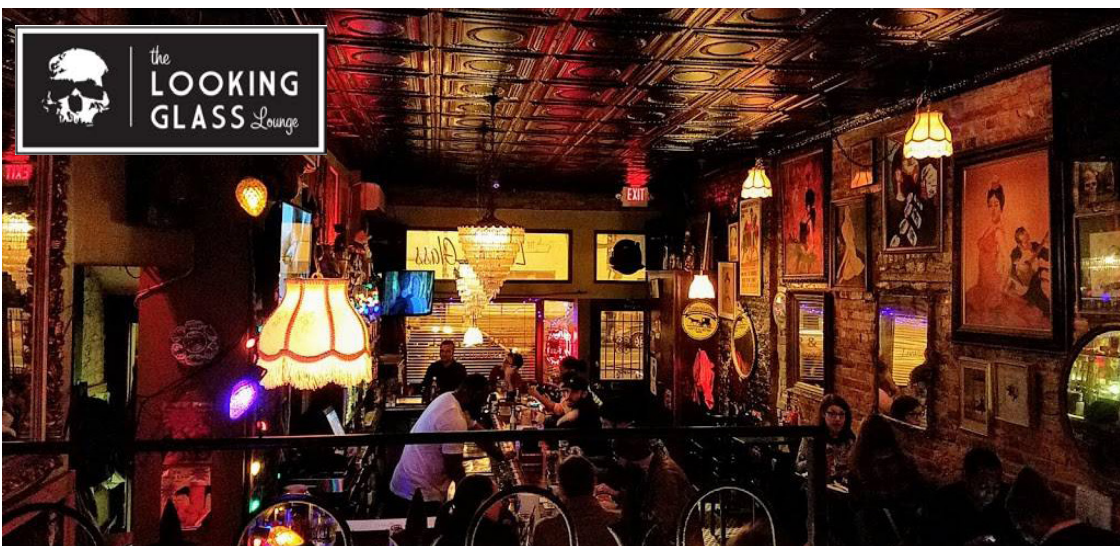
1. CVS PHARMACY
2. SAFEWAY PHARMACY
3. GIANT PHARMACY




# St. Vincent Wine



THE NEIGHBORHOOD



THE ZUPANCIC GROUP



"Having a grocery store right there is a lot more important when you don't have a car... I think that's why the premiums in the D.C. area are a lot more than in the suburbs, because the accessibility is more important... It seems grocery stores are a good bet for developers in every case."

**BETHANY SCHNEIDER, NEWMARK**





# MODO IS LOCATED JUST STEPS FROM SAFEWAY

A MAJOR DRIVER OF RENTAL DEMAND AND PROPERTY VALUES



**MODO APARTMENTS IS JUST 0.2 MILES FROM THE SAFEWAY ON GEORGIA AVENUE NW**



**THE OPENING OF SAFEWAY LEAD TO AN 18.4% RENT PREMIUM IN THE PETWORTH APARTMENT MARKET**



**SAFEWAY OPERATES AS A BANNER OF ALBERTSONS COMPANIES, ONE OF TOP 5 FOOD AND BEVERAGE COMPANIES IN THE US**

## PREMIUM LOCATION NEXT TO SAFEWAY

Modo Apartments boasts a premium location just 0.2 miles (or a 6-minute walk) from the Safeway on Georgia Avenue NW. Typically, operating an apartment building within walking distance of a grocery store creates an immediate spike in rental demand and long term stability, and Safeway in particular has a reputation of its own in the DC market as being a strong catalyst for growth.

A 2019 report from Newmark on the effect of grocery stores and multifamily rents across the DC metropolitan area (DC, Maryland, and Virginia) cites that “apartments near a new grocery store had rents more than 5% higher than the submarket average at the time of the stores opening”. Most notably, rents in

DC proper were a staggering 11.4% higher following a grocery stores opening, and the Petworth neighborhood specifically saw an 18.4% bump following the opening of the Safeway on Georgia Avenue NW.

Across all of the Washington Metropolitan area, Whole Foods had the most significant effect on rent growth at 8.4%, but Safeway follows closely behind at an 8.2% rent bump.

There has been significant rent growth and overall improvement in the Petworth neighborhood since Safeway opened its doors, and the various new restaurants and retail being introduced will help the neighborhood continue its upward trend.



**"WALKER'S PARADISE"**  
Daily errands do not require a car.



**"EXCELLENT TRANSIT"**  
Transit is convenient for most trips.



**"BIKER'S PARADISE"**  
Daily errands can be accomplished on a bike.

#### TRANSIT OVERVIEW

Petworth provides residents with a variety of nearby transportation options. The neighborhood is anchored by the Georgia Ave-Petworth Metro Station located at the intersection of Georgia Avenue NW and New Hampshire Avenue NW. The metro services green and yellow line trains and provides residents convenient access throughout the DMV area. Petworth also features numerous nearby bus routes, including the 52, 54, 59, 60, 62, 63, 70, 79 & H8. Residents who drive are also beneficiaries of the neighborhood's location. Petworth is approximately a ten-minute drive from Silver Spring and downtown Washington, DC, via Georgia Avenue. The neighborhood is also exceptionally walkable for residents who don't own a car or use public transportation. With a variety of restaurants and retail nearby, Petworth has been named one of the most walkable neighborhoods in the district. Finally, Petworth is exceptionally bikeable, with seven Capital Bikeshare locations dispersed throughout the neighborhood.

#### TRANSPORTATION HIGHLIGHTS

- Access to the Green and Yellow lines via the Georgia Ave-Petworth Metro Station
- Numerous bus stations throughout the neighborhood (52, 54, 59, 60, 62, 63, 70, 79 & H8)
- A 10-minute drive to downtown Washington, DC & downtown Silver Spring, MD via Georgia Avenue
- Seven Capital Bikeshare locations throughout the neighborhood
- Multiple Zipcar rental locations throughout the neighborhood



WASHINGTON, DC

MARYLAND

TAKOMA

M TAKOMA

NEW HAMPSHIRE AVENUE NW

BRIGHTWOOD

KENNEDY STREET NW

M FORT TOTTEN

16TH STREET NW

16TH STREET HEIGHTS

TENLEYTOWN

M TENLEYTOWN - AU

M VAN NESS-UDC

PETWORTH

MODO APARTMENTS

NORTH CAPITOL STREET NE

M GEORGIA AVE-PETWORTH

M BROOKLAND-CUA

M CLEVELAND PARK

M WOODLEY PARK-ZOO/ ADAMS MORGAN

GEORGIA AVENUE NW

COLUMBIA HEIGHTS

M COLUMBIA HEIGHTS

WOODLEY PARK

M SHAW-HOWARD UNIV



M DUPONT CIRCLE

SHAW

**TRANSIT AERIAL**

Modo



" Our results indicate that there is a price premium for houses that are located closer to Metro stations in the DC Metro Area... The price increase for houses one mile away [from a Metro Station] is almost \$8,640 and that amount goes up by \$1,636 for every 100 feet closer the house is to a Metro station."

**FREDDIE MAC, "PROXIMITY TO A METRO RAIL STATION AND ITS IMPACT ON WASHINGTON, DC METROPOLITAN HOUSE PRICES: AMENITY OR NOT?"**



# MODO IS LOCATED JUST STEPS THE METRO

A MAJOR DRIVER OF RENTAL DEMAND AND PROPERTY VALUES



**MODO APARTMENTS IS JUST 250 FEET FROM THE GEORGIA AVE-PETWORTH STATION**



**THE OPENING OF THE METRO IN 1999 CREATED A SURGE IN DEMAND AND DEVELOPMENT**



**MODO APARTMENT'S LOCATION NEXT TO THE METRO PROVIDES STABILITY IN INVESTMENT**

## CONVENIENTLY LOCATED NEXT TO THE METRO

Modo Apartments is conveniently located just 250 feet from the Georgia Ave-Petworth Station, which opened in September 1999 and serves the Green and Yellow Lines. Georgia Avenue-Petworth Station was added as part of a new 2.9-mile segment to the Green Line, which also included the creation of Columbia Heights Station just one stop away. The total construction cost of this new metro segment was estimated at \$643 million.

As so often occurs after the infusion of hundreds of millions of dollars' worth of transportation infrastructure, additional capital followed along in Petworth with the delivery of mixed-use developments including the delivery of Park Place, The Swift (with

Safeway), Griffin Apartments at Petworth Metro, 3825 Georgia and Fahrenheit. Modo Apartments' metrocentric location will create stability in investment for years to come.

To support the concept of a metrocentric location being a stable investment, a 2019 Freddie Mac report analyzed the correlation between housing prices and location nearby a metro station in the DC metropolitan area. Per the Freddie Mac report, "[the] results indicate that there is a price premium for houses that are located closer to Metro stations in the DC Metro Area... the price increase for houses one mile away is almost \$8,640 and that amount goes up by \$1,636 for every 100 feet closer the house is to a Metro station".



### UNIVERSITIES & MAJOR EMPLOYERS

The Washington Metropolitan Area has one of the largest job markets in the United States. The region has seen a steady flow of industry and a surplus of highly trained professionals. The area is now perceived as a center for creativity, with startups and high-growth companies choosing to operate out of the area. Petworth is an especially desirable neighborhood due to its proximity to major employers, including Children's National Hospital and Howard University & Hospital.

Nearby universities, such as George Washington University, Howard University, Georgetown University, Johns Hopkins University, American University, Catholic University, Montgomery College, and more, help create a highly-skilled labor force and provide a diverse range of job opportunities throughout the area.

### HIGHLIGHTED MAJOR EMPLOYERS

- Children's National Hospital
- Discovery Inc
- Fannie Mae
- U.S. Congress
- World Bank
- Amazon (Arlington)
- Marriott International (Bethesda)
- Lockheed Martin (Bethesda)
- Howard University & Hospital
- Georgetown University & Hospital
- George Washington University & Hospital
- Capital One (McLean)
- Danaher
- CACI Inc. Federal
- U.S. Department of Defense

Employment Rate (3 Mile Radius)

**94.8%**

Unemployment Rate (3 Mile Radius)

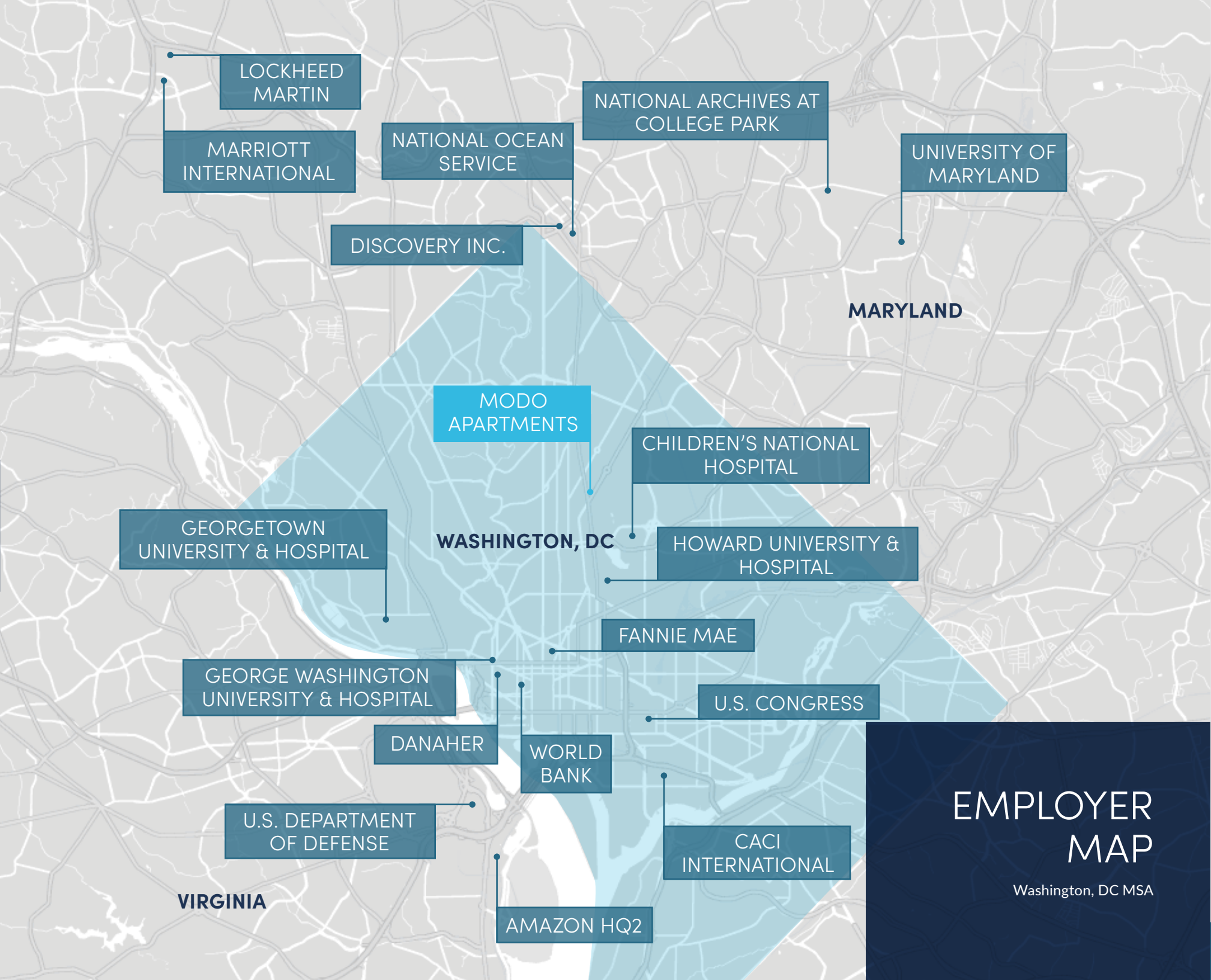
**4.8%**

Participating (3 Mile Radius)

**75.6%**

Not Participating (3 Mile Radius)

**24.4%**



LOCKHEED  
MARTIN

MARRIOTT  
INTERNATIONAL

NATIONAL OCEAN  
SERVICE

NATIONAL ARCHIVES AT  
COLLEGE PARK

UNIVERSITY OF  
MARYLAND

DISCOVERY INC.

MARYLAND

MODO  
APARTMENTS

CHILDREN'S NATIONAL  
HOSPITAL

GEORGETOWN  
UNIVERSITY & HOSPITAL

WASHINGTON, DC

HOWARD UNIVERSITY &  
HOSPITAL

FANNIE MAE

GEORGE WASHINGTON  
UNIVERSITY & HOSPITAL

U.S. CONGRESS

DANAHER

WORLD  
BANK

U.S. DEPARTMENT  
OF DEFENSE

CACI  
INTERNATIONAL

VIRGINIA

AMAZON HQ2

# EMPLOYER MAP

Washington, DC MSA

# AREA DEMOGRAPHICS

Modo Apartments is located in Northwest Washington, DC, which boasts a highly educated workforce, low unemployment rate, and has a very high median household income.

VIRGINIA

MARYLAND

DC

	ONE-MILE RADIUS	THREE-MILE RADIUS	FIVE-MILE RADIUS
Total Population (2023)	60,625	384,231	782,172
Projected Population (2028)	61,801	393,433	805,060
Population Density	22,143	13,398	9,968
Population Median Age	35	36	36
Median Household Income	\$107,658	\$115,018	\$113,497
Bachelor's Degree (Minimum)	63.5%	69.9%	67.2%
Age (Under 15)	17.2%	14.2%	15.7%
Age (15-24)	8.8%	10.7%	11.6%
Age (25-44)	45.9%	42.6%	39.1%
Age (45-64)	18.6%	20.5%	21.1%
Age (Over 65)	9.5%	12.0%	12.5%
Means of Transportation (Car)	26.3%	28.7%	35.3%
Means of Transportation (Other)	73.7%	71.3%	64.7%

 **3.7%**  
National Unemployment Rate

 **2.7%**  
DC Metro Area Unemployment Rate

 **31.3% LOWER**  
DC Metro Area Unemployment Rate vs. National Unemployment Rate

Sources: U.S. Census Bureau American Communities Survey 2023 and Bureau of Labor Statistics, December, 2023





MODO APARTMENTS

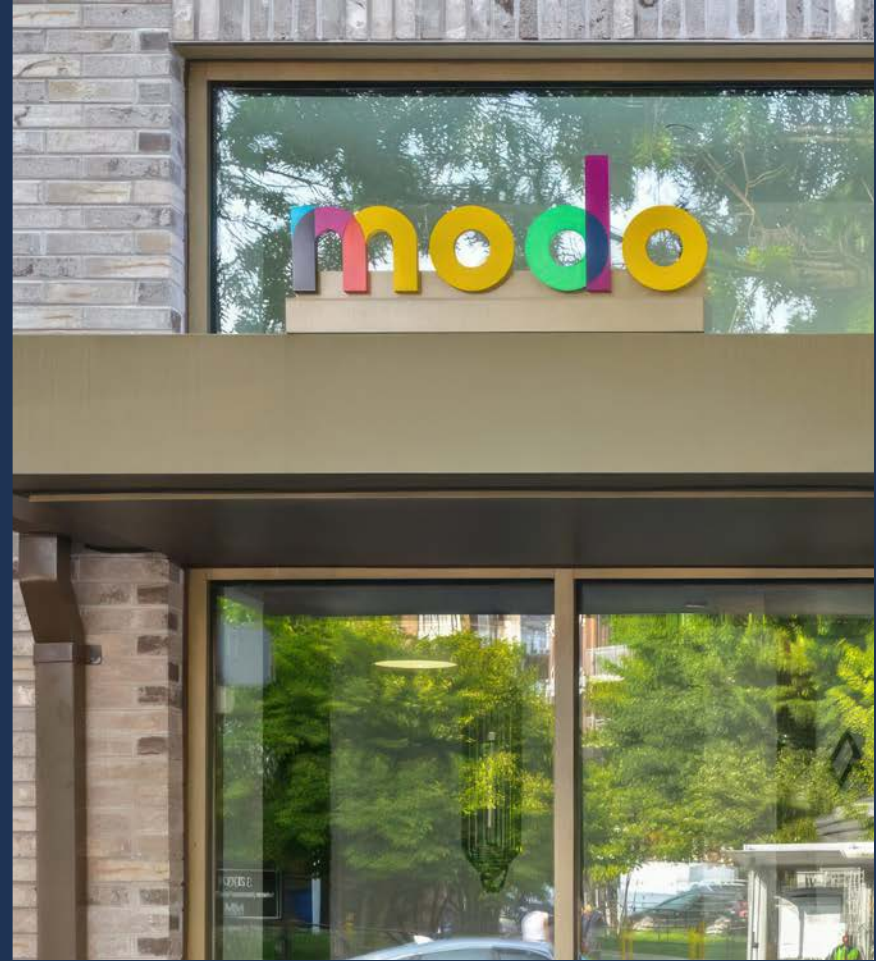
ONE-MILE RADIUS

THREE-MILE RADIUS

FIVE-MILE RADIUS

# MARKET COMPARABLES

SECTION 04



Marcus & Millichap  
THE ZUPANCIC GROUP



# MULTIFAMILY RENT COMPARABLES

- 1. Modo Apartments
- 2. Park Place at Petworth Metro
- 3. Fahrenheit
- 4. The Lamont
- 5. The Vintage on 16th
- 6. The Swift at Petworth Metro
- 7. The Griffin at Petworth Metro
- 8. New Quin



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	MODO APARTMENTS	PARK PLACE AT PETWORTH METRO	FAHRENHEIT	THE LAMONT	THE VINTAGE ON 16TH	THE SWIFT AT PETWORTH METRO	THE GRIFFIN AT PETWORTH METRO	NEW QUIN
STREET ADDRESS	3709 New Hampshire Avenue NW	850 Quincy Street NW	3930 Georgia Avenue NW	3225 Georgia Avenue NW	3146 16th Street NW	3828 Georgia Avenue NW	3801 Georgia Avenue NW	3800 New Hampshire Avenue NW
NEIGHBORHOOD	Petworth	Petworth	Petworth	Park View	Mount Pleasant	Petworth	Petworth	Petworth
OCCUPANCY (%)	88.9%	90.7%	95.6%	94.8%	95.2%	87.6%	99.2%	98.1%
YEAR BUILT/RENOVATED	2022	2010	2015	2018	2017	2015	2011	2013
MANAGEMENT COMPANY	Borger Management	Bernstein Management	Van Metre	Brick Lane	Borger Management	Polinger Company	Borger Management	Borger Management
NUMBER OF UNITS	17	161	31	9	85	204	49	107
BUILDING CLASS	A	A	B	B	A	A	A	B
AVERAGE RENT/UNIT	\$3,290	\$2,506	\$2,412	\$2,858	\$2,124	\$2,441	\$2,269	\$1,888
AVERAGE RENT/SF	\$3.35	\$3.01	\$3.21	\$3.59	\$3.65	\$3.21	\$2.88	\$3.28
AVERAGE UNIT SIZE (SF)	1,004	832	752	797	582	761	787	576
DISTANCE FROM SUBJECT (MILES)	-	0.1	0.2	0.3	0.8	0.1	0.09	0.08



# MODO APARTMENTS

3709 NEW HAMPSHIRE AVENUE NW, WASHINGTON, DC 20010

UNIT TYPE	UNITS	AVERAGE SIZE (SF)	AVERAGE RENT/UNIT	AVERAGE RENT/SF
Three Bedroom	17	1,004	\$3,290	\$3.35
Total / Average	17	1,004	\$3,290	\$3.35

## AMENITIES & FEATURES

### BUILDING CLASS

A

### YEAR BUILT/RENOVATED

2022

### NEIGHBORHOOD

Petworth

### UTILITIES

Heating: Electric (Paid By: Landlord)

Cooking: Electric (Paid By: Landlord)

Cooling: Electric (Paid By: Landlord)

Hot Water: Gas (Paid By: Landlord)

Water & Sewer: (Paid By: Landlord)

\*Ownerships charges a Utility Reimbursement Fee of \$217/Unit/Month

### UNIT FEATURES

Vinyl Plank Flooring, Washer/Dryer in Unit, Recessed Lighting, Chrome Kitchen Fixtures, Tile Backsplash, Quartz Countertops

### COMMUNITY AMENITIES

Rooftop Lounge, Parking Available

# \$3,290

Modo Apartments Rent / Unit (All Units)

# \$3,546

Market Rent / Unit (3-Bedroom Units)

# 7% BELOW MARKET

Modo Apartments Rent / Unit (All Units) vs. Market Rent / Unit (3-Bedroom Units)

# MULTIFAMILY RENT COMPARABLES

Modo Apartments is located in the Petworth neighborhood of Northwest Washington, DC. Its proximity to the Petworth Metro and retail along Georgia Avenue will continue to drive strong rent growth well into the future.

**2,591**<sup>TOTAL</sup>

Units in the Petworth submarket

**10**<sup>TOTAL</sup>

Units under construction

**0.38%**<sup>TOTAL</sup>

Units in development relative to the existing number of units

## MODO APARTMENTS

3709 New Hampshire Avenue NW, Washington, DC 20010



UNIT TYPE	UNITS	SIZE (SF)	RENT/ UNIT	AVERAGE RENT/SF
Three Bedroom	17	1,004	\$3,290	\$3.35
Total / Average	17	1,004	\$3,290	\$3.35

### AMENITIES & FEATURES

#### BUILDING CLASS

A

#### YEAR BUILT/RENOVATED

2022

#### NEIGHBORHOOD

Petworth

#### UNIT FEATURES

Vinyl Plank Flooring, Washer/Dryer in Unit, Recessed Lighting, Chrome Kitchen Fixtures, Tile Backsplash, Quartz Countertops

#### COMMUNITY AMENITIES

Rooftop Lounge, Parking Available

#### UTILITIES

Heating: Electric (Paid By: Landlord)

Cooking: Electric (Paid By: Landlord)

Cooling: Electric (Paid By: Landlord)

Hot Water: Gas (Paid By: Landlord)

Water & Sewer: (Paid By: Landlord)

## PARK PLACE AT PETWORTH METRO

850 Quincy Street NW, Washington, D.C. 20011



UNIT TYPE	UNITS	SIZE (SF)	RENT/ UNIT	AVERAGE RENT/SF
Studio / Efficiency	1	618	\$1,753	\$2.84
One Bedroom	95	685	\$2,143	\$3.13
Two Bedroom	62	1,043	\$2,982	\$2.86
Three Bedroom	3	1,198	\$4,421	\$3.69
Total / Average	161	832	\$2,506	\$3.01

### AMENITIES & FEATURES

#### BUILDING CLASS

A

#### YEAR BUILT/RENOVATED

2010

#### NEIGHBORHOOD

Petworth

#### UNIT FEATURES

9 to 10-Foot Ceilings, Gourmet Kitchens featuring Granite Countertops, Sleek Cabinetry and Stainless Steel GE Profile Appliances, Berber-Carpeted Bedrooms, Washer and Dryer in Each Apartment

#### COMMUNITY AMENITIES

Fitness Center, Party Room, Rooftop Terrace, Outdoor

Grills, Business Center, Metro Access at Street Level, Ground Floor Retail, Valet Dry Cleaning, Underground Parking

#### UTILITIES

Heating: Electric (Paid by Tenant)

Cooking: Electric (Paid by Tenant)

Cooling: Electric (Paid by Tenant)

Hot Water: Electric (Paid by Tenant)

Water & Sewer (Paid By: Tenant)

### FAHRENHEIT

3930 Georgia Avenue NW, Washington, DC 20011

3



UNIT TYPE	UNITS	SIZE (SF)	RENT/UNIT	AVERAGE RENT/SF
One Bedroom	5	558	\$1,870	\$3.35
Two Bedroom	25	769	\$2,457	\$3.20
Three Bedroom	1	1,282	\$4,000	\$3.12
Total / Average	31	752	\$2,412	\$3.21

#### AMENITIES & FEATURES

**BUILDING CLASS**

B

**YEAR BUILT/RENOVATED**

2015

**NEIGHBORHOOD**

Petworth

**UNIT FEATURES**

Vinyl Plank Flooring, Stainless Steel Appliances, Quartz Countertops, Tile Backsplashes, Upgraded Cabinets, Floor to Ceiling Windows, Washer/Dryer in Unit

**COMMUNITY AMENITIES**

Rooftop Deck, Grilling

Stations, Package Receiving Service, Resident Lounge, Bike Storage, Daytime Parking Available

**UTILITIES**

Heating: Electric (Paid by Tenant)

Cooking: Electric (Paid by Tenant)

Cooling: Electric (Paid by Tenant)

Hot Water: Electric (Paid by Tenant)

Water & Sewer (Paid By: Tenant)

### THE LAMONT

3225 Georgia Avenue NW, Washington, DC 20010

4



UNIT TYPE	UNITS	SIZE (SF)	RENT/UNIT	AVERAGE RENT/SF
One Bedroom	1	550	\$1,950	\$3.55
Two Bedroom	6	750	\$2,669	\$3.56
Three Bedroom	2	1,063	\$3,881	\$3.65
Total / Average	9	797	\$2,858	\$3.59

#### AMENITIES & FEATURES

**BUILDING CLASS**

B

**YEAR BUILT/RENOVATED**

2018

**NEIGHBORHOOD**

Petworth

**UNIT FEATURES**

Vinyl Plank Flooring, 9 to 10-Foot Ceilings, Luxury Finishes Throughout, Quartz Countertops, Kitchen Islands in Most Units, Stainless Steel Appliances, Washer/Dryer in Unit, Sliding Barn Doors in Select Units, Oversized Windows, Chrome Fixtures in Bathrooms

**COMMUNITY AMENITIES**

Rooftop Terrace, Surface Parking Available, Climate Controlled Storage Units Available, Bike Storage, Controlled Access, Ground Floor Retail

**UTILITIES**

Heating: Electric (Paid by Tenant)

Cooking: Electric (Paid by Tenant)

Cooling: Electric (Paid by Tenant)

Hot Water: Electric (Paid by Tenant)

Water & Sewer (Paid By: Tenant)

### THE VINTAGE ON 16TH

3146 16th Street NW, Washington, DC 20010

5



UNIT TYPE	UNITS	SIZE (SF)	RENT/UNIT	AVERAGE RENT/SF
One Bedroom	52	556	\$2,031	\$3.65
Two Bedroom	9	730	\$2,625	\$3.60
Three Bedroom	2	1,315	\$3,849	\$2.93
Total / Average	85	582	\$2,124	\$3.65

#### AMENITIES & FEATURES

**BUILDING CLASS**

A

**YEAR BUILT/RENOVATED**

2017

**NEIGHBORHOOD**

Mount Pleasant

**UNIT FEATURES**

Stainless Steel Appliances, Washer/Dryer in Unit, High Ceilings, Quartz Countertops, Hardwood or Vinyl Plank Flooring, Central Air Conditioning

**COMMUNITY AMENITIES**

Controlled Access, 24-Hour

Maintenance, Rooftop Deck, Full Time Front Desk, Package Lockers, Fitness Center, Bike Storage

**UTILITIES**

Heating: Electric (Paid by Tenant)

Cooking: Electric (Paid by Tenant)

Cooling: Electric (Paid by Tenant)

Hot Water: Electric (Paid by Tenant)

Water & Sewer (Paid By: Tenant)

## THE SWIFT AT PETWORTH METRO

3828 Georgia Avenue NW, Washington, DC 20011

6



UNIT TYPE	UNITS	SIZE (SF)	RENT/UNIT	AVERAGE RENT/SF
Studio / Efficiency	5	558	\$1,883	\$3.37
One Bedroom	159	695	\$2,294	\$3.30
Two Bedroom	40	1,050	\$3,097	\$2.95
Total / Average	204	761	\$2,441	\$3.21

### AMENITIES & FEATURES

#### BUILDING CLASS

A

#### YEAR BUILT/RENOVATED

2015

#### NEIGHBORHOOD

Petworth

#### UNIT FEATURES

Balcony/Patio, Double Pane Windows, Hardwood Floors, Island Kitchen, Walk-In Closets

#### COMMUNITY AMENITIES

Bike Storage, Breakfast/Coffee Concierge, Business Center, Clubhouse, Dry

Cleaning Service, Fitness Center, Gameroom, Maintenance On-Site, Multi Use Room, Picnic Area

#### UTILITIES

Heating: Electric (Paid by Tenant)

Cooking: Electric (Paid by Tenant)

Cooling: Electric (Paid by Tenant)

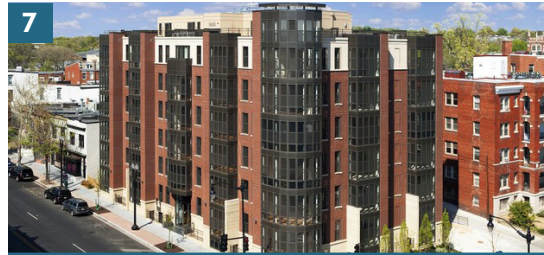
Hot Water: Electric (Paid by Tenant)

Water & Sewer (Paid By: Tenant)

## THE GRIFFIN AT PETWORTH METRO

3801 Georgia Avenue NW, Washington, DC 20011

7



UNIT TYPE	UNITS	SIZE (SF)	RENT/UNIT	AVERAGE RENT/SF
One Bedroom	31	697	\$1,969	\$2.82
Two Bedroom	18	942	\$2,787	\$2.96
Total / Average	49	787	\$2,269	\$2.88

### AMENITIES & FEATURES

#### BUILDING CLASS

A

#### YEAR BUILT/RENOVATED

2011

#### NEIGHBORHOOD

Petworth

#### UNIT FEATURES

Open Layouts with Minimum 9' Ceilings, Hardwood Floors, Honed Marble Tile, Gourmet Kitchens with Zodiac Quartz Countertops, Sleek Cabinetry, Stainless Steel Bosch Appliances, Private Rooftop Terraces on Select Units, Washer and Dryer, Walk-In Closets, Smart ZOME Thermostats

#### COMMUNITY AMENITIES

30-Second Walk to Metro, Amazon Hub Package Delivery Locker System, Elevator, Controlled Building Access with Key Fob, Underground and Surface Parking

#### UTILITIES

Heating: Electric (Paid by Tenant)

Cooking: Electric (Paid by Tenant)

Cooling: Electric (Paid by Tenant)

Hot Water: Electric (Paid by Tenant)

Water & Sewer (Paid By: Tenant)

## NEW QUIN

3800 New Hampshire Avenue NW, Washington, DC 20011

8



UNIT TYPE	UNITS	SIZE (SF)	RENT/UNIT	AVERAGE RENT/SF
Studio / Efficiency	20	426	\$1,610	\$3.78
One Bedroom	68	562	\$1,801	\$3.20
Two Bedroom	19	782	\$2,495	\$3.19
Total / Average	107	576	\$1,888	\$3.28

### AMENITIES & FEATURES

#### BUILDING CLASS

B

#### YEAR BUILT/RENOVATED

2013

#### NEIGHBORHOOD

Petworth

#### UNIT FEATURES

Hardwood Floors, Granite Countertops, Stainless Steel Appliances, Kitchen Islands and Balconies in Select Units, Washer/Dryer in Unit, Large Closets

#### COMMUNITY AMENITIES

Laundry Facilities, Controlled Access, Elevators, On-Site Management, Bike Room

#### UTILITIES

Heating: Gas (Paid By: Tenant)

Cooking: Gas (Paid By: Tenant)

Cooling: Electric (Paid by Landlord)

Hot Water: Gas (Paid By: Tenant)

Water & Sewer (Paid By: Landlord)

# MULTIFAMILY RENT COMPARABLES

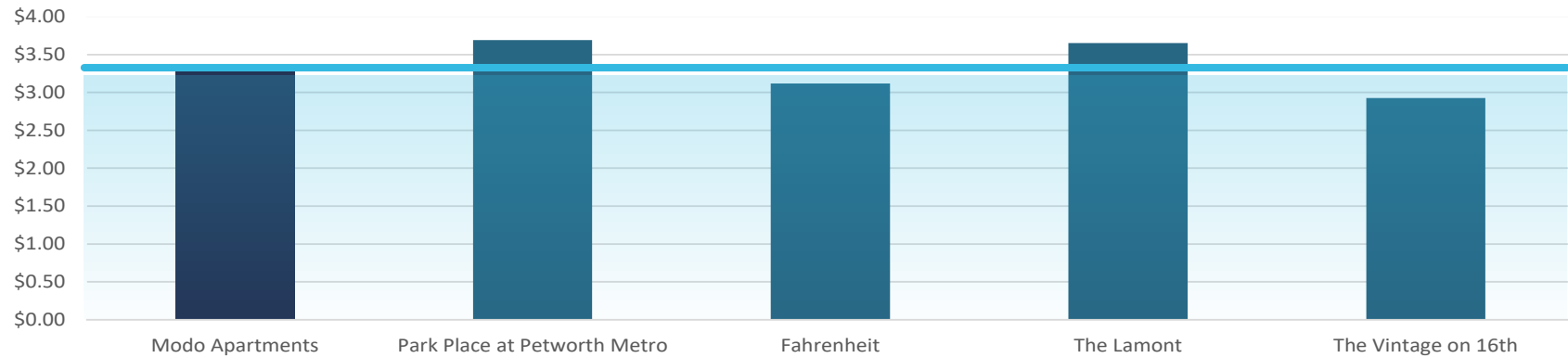
**\$3.32**

Average Three-Bedroom Rent/Square Foot

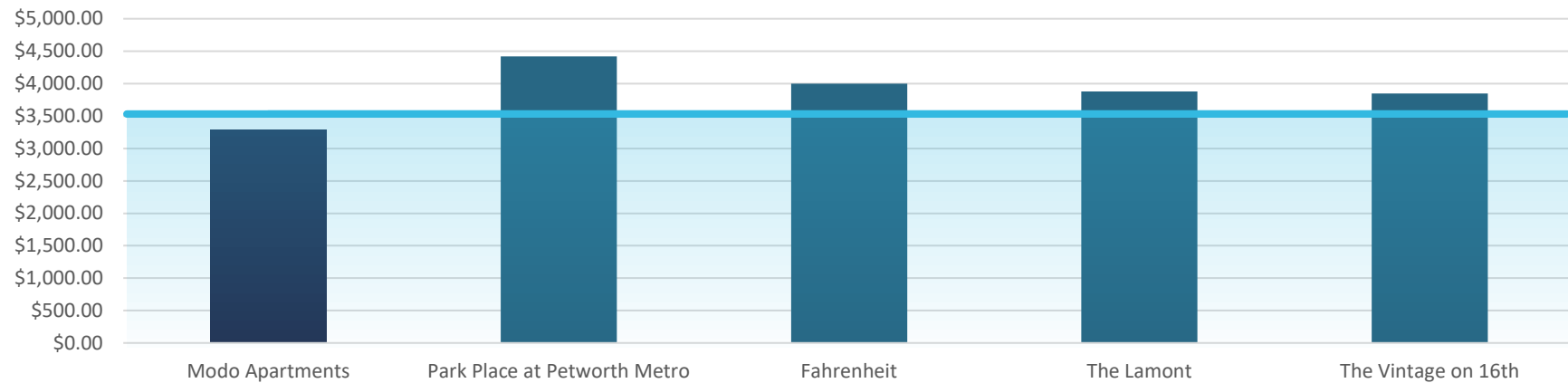
**\$3,546**

Average Three-Bedroom Rent/Unit

**AVERAGE THREE-BEDROOM RENT/SQUARE FOOT**



**AVERAGE THREE-BEDROOM RENT/UNIT**







# PHOTOS

Modo Rooftop Lounge

# MULTIFAMILY SALES COMPARABLES

1. Modo Apartments
2. 5835 Colorado Ave NW
3. Kenyon House Apartments
4. 1921 19th St NW
5. 4014 Georgia Avenue NW
6. 1862 Mintwood Place NW
7. 4111 Kansas Avenue NW
8. Park Place at Petworth



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	MODO APARTMENTS	5835 COLORADO AVE NW	KENYON HOUSE APARTMENTS	1921 19TH ST NW	4014 GEORGIA AVENUE NW	1862 MINTWOOD PLACE NW	4111 KANSAS AVENUE NW	PARK PLACE AT PETWORTH
STREET ADDRESS	3709 New Hampshire Avenue NW	5835 Colorado Ave NW	1349 Kenyon Street NW	1921 19th St NW	4014 Georgia Avenue NW	1862 Mintwood Place NW	4111 Kansas Avenue NW	850 Quincy Street NW
NEIGHBORHOOD	Petworth	Brightwood Park	Columbia Heights	Adams Morgan	Petworth	Adams Morgan	Petworth	Petworth
SALES PRICE	-	\$1,751,000	\$12,975,000	\$3,600,000	\$4,025,000	\$7,275,000	\$16,300,000	\$56,700,000
CLOSE OF ESCROW	-	12/1/2023	6/2/2023	5/23/2023	8/2/2022	6/21/2022	5/31/2022	12/21/2021
CAP RATE	-	-	-	6.3%	5.5%	5.6%	-	-
NUMBER OF UNITS	17	5	49	9	10	17	40	161
PRICE/UNIT	-	\$350,200	\$264,796	\$400,000	\$402,500	\$427,941	\$407,500	\$352,174
YEAR BUILT/RENOVATED	2022	2023	1925/2011	1906	2022	1916	2021	2009
GROSS SF	22,920	4,200	44,514	16,387	9,411	25,000	33,040	181,668
PRICE/GROSS SF	-	\$416.90	\$291.48	\$219.69	\$427.69	\$291.00	\$493.34	\$312.11
ZONING	NC-8	RA-1	RA-2	RA-2	NC-7	RA-2	MU-4	NC-8
LOT SF	4,674	2,347	12,632	5,205	2,288	11,334	7,765	58,806

# MULTIFAMILY SALES COMPARABLES

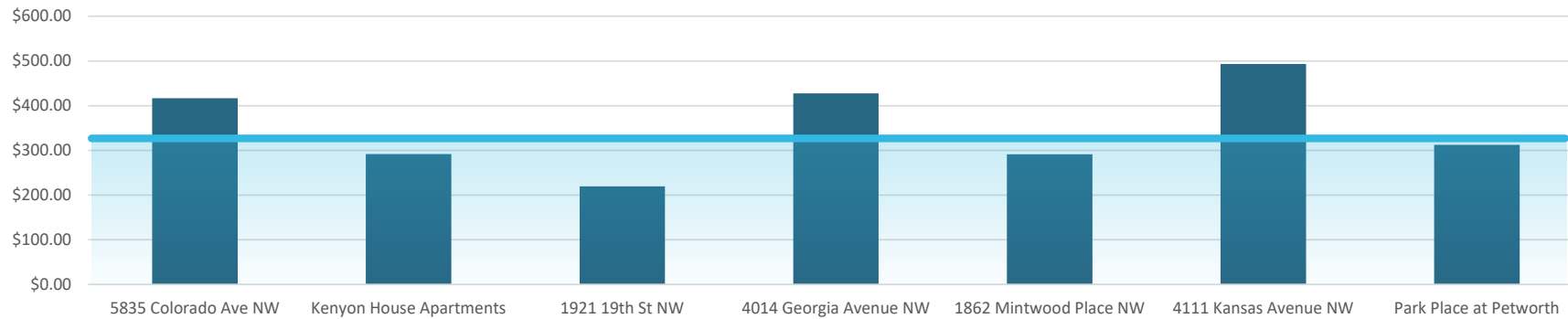
**\$326.61**

Average Sale Price/Square Foot

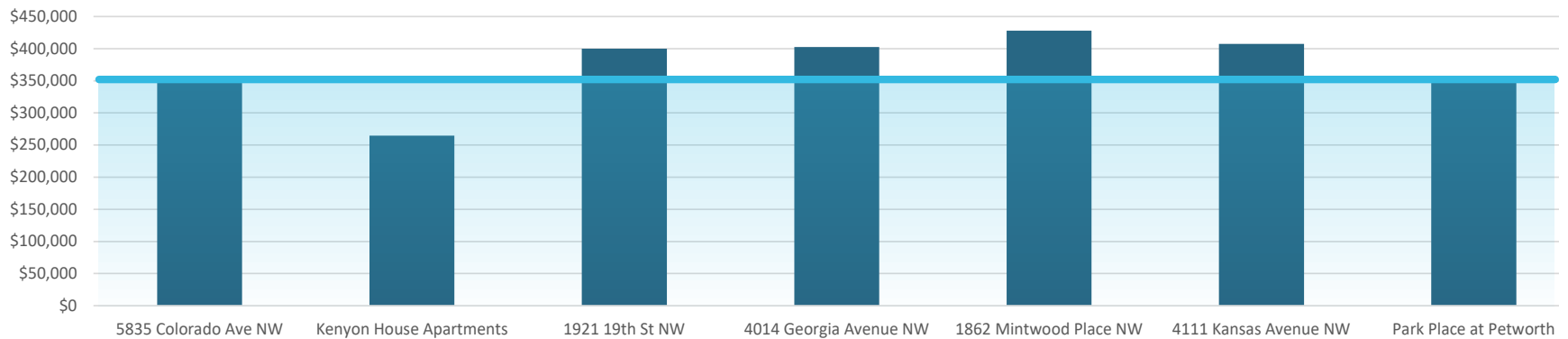
**\$352,667**

Average Sale Price/Unit

## AVERAGE SALE PRICE/SQUARE FOOT



## AVERAGE SALE PRICE/UNIT





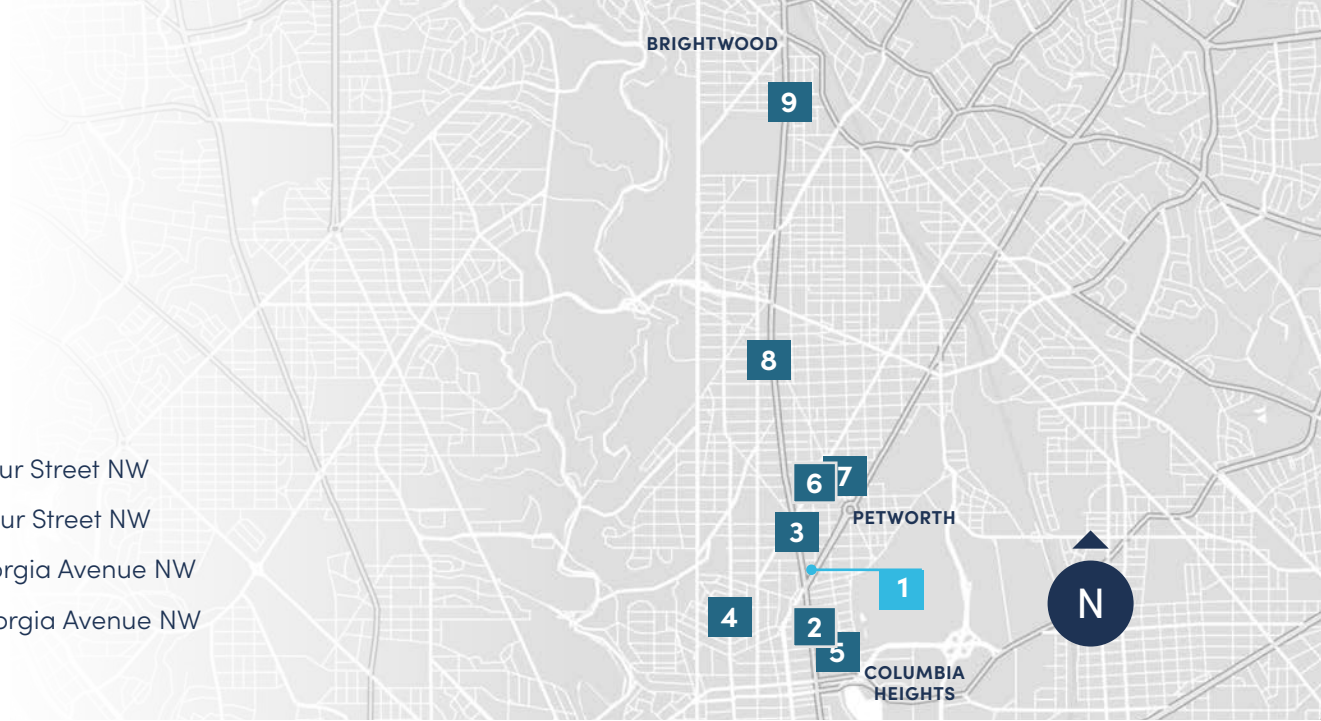
# PETWORTH

Restaurants Along 14th Street NW



# RETAIL LEASE COMPARABLES

- 1. Modo Apartments
- 2. Thirty Two Apartments
- 3. 3927 Georgia Avenue NW
- 4. 3403 14th Street NW
- 5. 3109 Georgia Avenue NW
- 6. 821 Upshur Street NW
- 7. 819 Upshur Street NW
- 8. 5415 Georgia Avenue NW
- 9. 7305 Georgia Avenue NW



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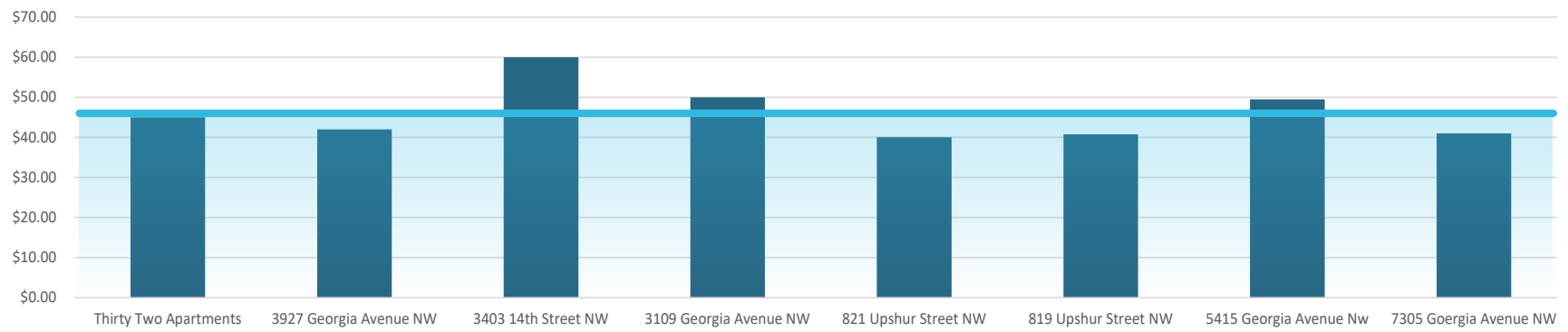
	1	2	3	4	5	6	7	8	9
	MODO APARTMENTS	THIRTY TWO APARTMENTS	3927 GEORGIA AVENUE NW	3403 14TH STREET NW	3109 GEORGIA AVENUE NW	821 UPSHUR STREET NW	819 UPSHUR STREET NW	5415 GEORGIA AVENUE NW	7305 GOERGIA AVENUE NW
STREET ADDRESS	3709 New Hampshire Avenue NW	3232 Georgia Avenue NW	3927 Georgia Avenue NW	3403 14th Street NW	3109 Georgia Avenue NW	821 Upshur Street NW	819 Upshur Street NW	5415 Georgia Avenue NW	7305 Georgia Avenue NW
NEIGHBORHOOD	Petworth	Park View	Petworth	Uptown	Columbia Heights	Petworth	Petworth	Petworth	Brightwood
SIGN DATE	-	12/6/2023	6/30/2023	5/15/2023	3/24/2023	12/6/2022	12/6/2022	8/1/2022	1/13/2022
EXPIRATION DATE	-	7/31/2029	-	6/13/2026	5/31/2026	-	-	8/30/2025	-
PRICE PER SF	-	\$45.00	\$42.00	\$60.00	\$50.00	\$40.00	\$40.75	\$49.50	\$41.00
FLOOR	1st Floor	1st Floor	1st Floor	1st Floor	1st Floor	1st Floor	1st Floor	1st Floor	1st Floor
SF LEASED	-	1300	1142	1800	1405	2250	1325	800	1140
USE	Retail	Retail	Retail	Retail	Retail	Retail/ Restaurant	Retail/ Restaurant	Retail	Retail

# RETAIL LEASE COMPARABLES

# \$46.03

Average Sale Price/Gross SF

## AVERAGE LEASE PRICE/SQUARE FOOT



# RETAIL SALES COMPARABLES

- 1. Modo Apartments
- 2. 3541 14th Street NW
- 3. 500 Kennedy Street NW
- 4. 620 Kennedy Street NW
- 5. 4825 Georgia Avenue NW
- 6. 3532 Georgia Avenue NW
- 7. 819 Upshur Street NW
- 8. 3505 Georgia Avenue NW



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	MODO APARTMENTS	3541 14TH STREET NW	500 KENNEDY STREET NW	620 KENNEDY STREET NW	4825 GEORGIA AVENUE NW	3532 GEORGIA AVENUE NW	819 UPSHUR STREET NW	3505 GEORGIA AVENUE NW
STREET ADDRESS	3709 New Hampshire Avenue NW	3541 14th Street NW	500 Kennedy Street NW	620 Kennedy Street NW	4825 Georgia Avenue NW	3532 Georgia Avenue NW	819 Upshur Street NW	3505 Georgia Avenue NW
NEIGHBORHOOD	Petworth	Petworth	Petworth	Petworth	Petworth	Columbia Heights	Petworth	Columbia Heights
SALES PRICE	-	\$1,100,000	\$1,200,000	\$700,000	\$1,300,000	\$750,000	\$1,075,000	\$830,000
CLOSE OF ESCROW	-	11/17/2023	4/19/2023	8/11/2022	8/10/2022	7/15/2022	6/3/2022	9/15/2021
YEAR BUILT/RENOVATED	2022	1910	1950	1923	1927	1921	1922	1910
GROSS SF	3,400	3,068	2,600	1,983	3,135	1,041	1,325	2,000
PRICE/GROSS SF	-	\$358.54	\$461.54	\$353.00	\$414.67	\$720.46	\$811.32	\$415.00
ZONING	NC-8	MU-4	MU-4	MU-4	MU-4	NC-8	MU-4	MU-7
LOT SF	4,674	906	3,563	800	2,469	1,307	2,178	1,307

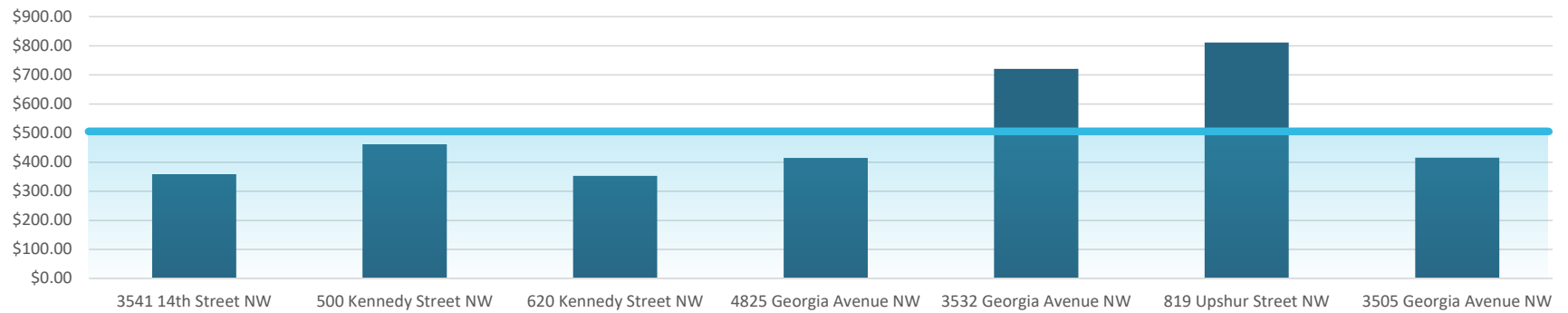


# RETAIL SALES COMPARABLES

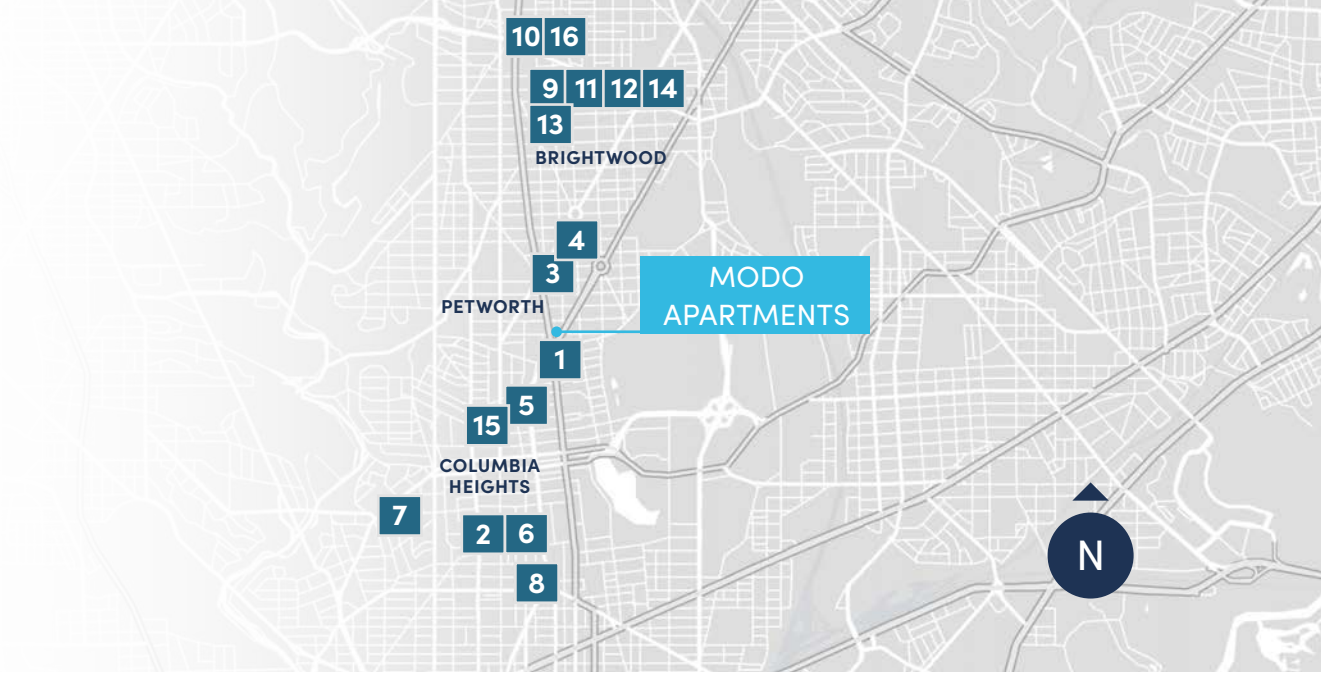
# \$504.93

Average Sale Price/Gross SF

## AVERAGE SALE PRICE/GROSS SQUARE FOOT



# CONDO OUTSALE COMPARABLES



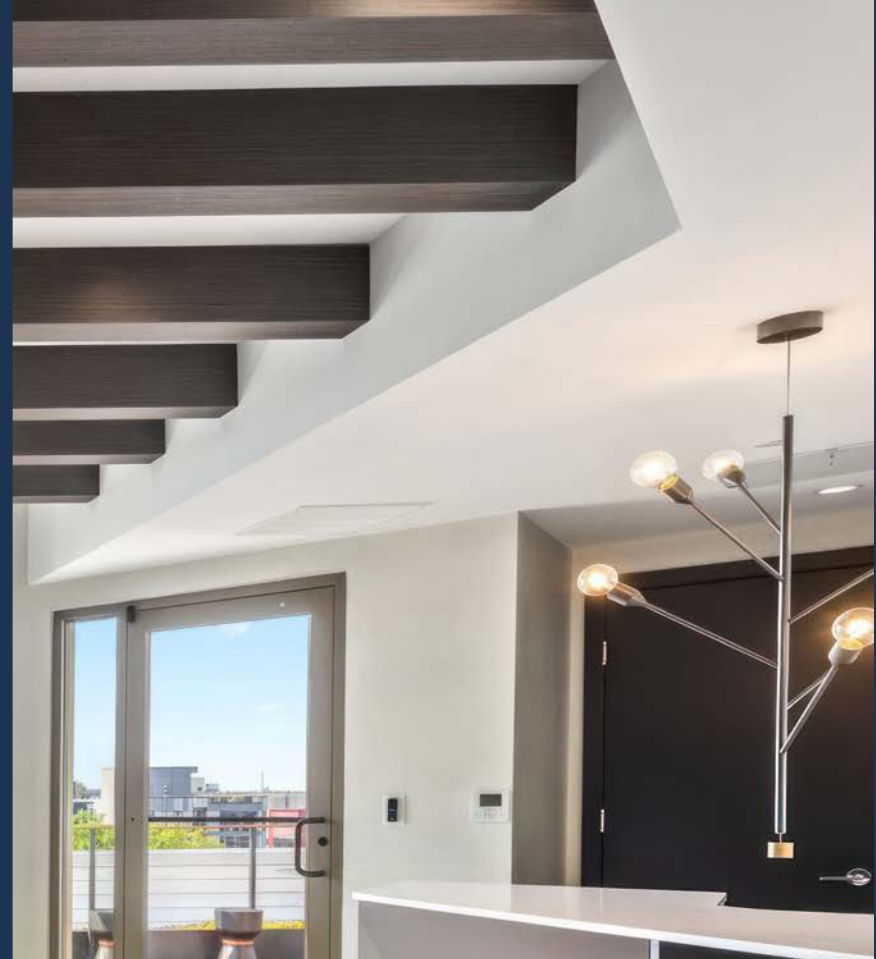
#	ADDRESS	UNIT NUMBER	SALE DATE	SALE PRICE	GROSS SF	PRICE PER SF	YEAR BUILT	BEDS	BATHS	BATHS
1	3619 Georgia Avenue NW	503	8/4/2023	\$514,000	641	\$801.87	2021	2	1	1
2	1320 Belmont Street NW	302	11/1/2023	\$1,300,000	1,685	\$771.51	2023	3	2.5	2
3	826 Upshur Street NW	7	6/23/2023	\$654,500	924	\$708.33	2020	2	2	2
4	811 Upshur Street NW	6	6/14/2023	\$592,500	850	\$697.06	2019	2	2	1
5	3319 11th Street NW	5	12/29/2023	\$575,000	843	\$682.09	2023	2	1.5	2
6	1320 Belmont Street NW	201	2/16/2024	\$1,000,000	1,529	\$654.02	2023	2	2	2
7	2466 Ontario Road NW	1	10/24/2023	\$635,000	978	\$649.28	2021	2	2	2
8	923 V Street NW	202	9/25/2023	\$586,900	922	\$636.55	2022	2	2	2
9	611 Kennedy Street NW	302	10/31/2023	\$420,000	685	\$613.14	2023	2	2	2
10	5908 9th Street NW	6	9/7/2023	\$585,000	962	\$608.11	2022	2	2	2
11	611 Kennedy Street NW	201	10/31/2023	\$385,000	685	\$562.04	2023	2	2	2
12	611 Kennedy Street NW	301	10/31/2023	\$385,000	685	\$562.04	2023	2	2	3
13	818 Kennedy Street NW	11	11/15/2023	\$469,900	839	\$560.07	2022	2	2	2.5
14	611 Kennedy Street NW	202	10/23/2023	\$380,000	685	\$554.74	2023	2	2	2
15	3200 13th Street NW	3	2/1/2024	\$849,900	1,625	\$523.02	2023	3	3.5	2.5
16	5908 9th Street NW	3	11/29/2023	\$525,000	1,053	\$498.58	2023	3	2.5	3.5
AVERAGE				\$616,106	974	\$630.15				



# PHOTOS

Modo Common Area Lounge

# FINANCIAL ANALYSIS



SECTION 05

Marcus & Millichap  
THE ZUPANCIC GROUP



# MODO APARTMENTS RENT ROLL

# 17

Number of Units

# 1,004

Average Unit Size (SF)

UNIT NUMBER	NUMBER OF BEDROOMS	NUMBER OF BATHROOMS	OCCUPANCY STATUS	UNIT SF	CURRENT RENT	CURRENT RENT/SF	PRO FORMA RENT	PRO FORMA RENT/SF	RENT TYPE
201	3 Bed	2 Bath	Vacant	1,095	\$3,675	\$3.36	\$3,785	\$3.46	Market
202	3 Bed	2 Bath	Occupied	990	\$3,787	\$3.83	\$3,901	\$3.94	Market
203	3 Bed	2 Bath	Occupied	945	\$1,223	\$1.29	\$1,260	\$1.33	Inclusionary Zoning (IZ)
204	3 Bed	2 Bath	Occupied	995	\$3,400	\$3.42	\$3,502	\$3.52	Market
301	3 Bed	2 Bath	Vacant	1,095	\$3,675	\$3.36	\$3,785	\$3.46	Market
302	3 Bed	2 Bath	Vacant	990	\$3,787	\$3.83	\$3,901	\$3.94	Market
303	3 Bed	2 Bath	Occupied	945	\$1,513	\$1.60	\$1,558	\$1.65	Inclusionary Zoning (IZ)
304	3 Bed	2 Bath	Occupied	995	\$3,675	\$3.69	\$3,785	\$3.80	Market
401	3 Bed	2 Bath	Occupied	1,095	\$3,675	\$3.36	\$3,785	\$3.46	Market
402	3 Bed	2 Bath	Occupied	990	\$3,800	\$3.84	\$3,914	\$3.95	Market
403	3 Bed	2 Bath	Vacant	945	\$2,678	\$2.83	\$3,400	\$3.60	Market
404	3 Bed	2 Bath	Occupied	995	\$3,600	\$3.62	\$3,708	\$3.73	Market
501	3 Bed	2 Bath	Occupied	1,095	\$3,675	\$3.36	\$3,785	\$3.46	Market
502	3 Bed	2 Bath	Occupied	990	\$3,999	\$4.04	\$4,119	\$4.16	Market
503	3 Bed	2 Bath	Vacant	945	\$2,678	\$2.83	\$3,400	\$3.60	Market
504	3 Bed	2 Bath	Vacant	995	\$3,638	\$3.66	\$3,747	\$3.77	Market
601	3 Bed	2 Bath	Vacant	960	\$3,450	\$3.59	\$3,554	\$3.70	Market
Retail			Vacant	3,400	\$0	\$0.00	\$12,750	\$3.75	Market
17				17,060	\$55,928	\$3.28	\$71,639	\$3.46	

## NOTES AND ASSUMPTIONS

1. Current Rent for vacant units set to the owner provided market rents
2. Pro Forma Rent is increased 3% for units achieving market rate
3. Units 403 and 503 are assumed to be brought up to market rent on Pro Forma
4. Pro Forma Retail Income assumes that the space is leased at the market rate of \$45/SF

# INCOME STATEMENT

INCOME <sup>1</sup>	2023 YEAR END	PER UNIT	% OF TOTAL INCOME	PRO FORMA	PER UNIT	% OF TOTAL INCOME	% CHANGE
Gross Potential Rent <sup>2</sup>	\$645,026	\$37,943	92.8%	\$706,670	\$39,259	75.8%	9.6%
Total Other Income	\$49,955	\$2,939	7.2%	\$225,576	\$12,532	24.2%	351.6%
Utility Reimbursement <sup>3</sup>	\$35,543	\$2,091	5.1%	\$44,268	\$2,459	4.7%	24.5%
Income From Fees <sup>4</sup>	\$8,915	\$524	1.3%	\$9,183	\$510	1.0%	3.0%
Resident Charges <sup>4</sup>	\$5,497	\$323	0.8%	\$5,662	\$315	0.6%	3.0%
Retail Income <sup>5</sup>	\$0	\$0	0.0%	\$153,000	\$8,500	16.4%	-
Retail Tax Recovery <sup>6</sup>	\$0	\$0	0.0%	\$13,464		1.4%	-
Gross Potential Income	\$694,981	\$40,881	100.0%	\$932,246	\$51,791	100.0%	34.1%
Vacancy <sup>7</sup>	\$67,572	\$3,975	9.7%	\$49,467	\$2,748	5.3%	-26.8%
Bad Debt <sup>8</sup>	\$9,552	\$562	1.4%	\$7,067	\$393	0.8%	-26.0%
Concessions <sup>9</sup>	\$13,079	\$769	1.9%	\$0	\$0	0.0%	-100.0%
Effective Gross Income (EGI)	\$604,778	\$35,575	87.0%	\$875,713	\$48,651	93.9%	44.8%

EXPENSES <sup>1</sup>	2023 YEAR END	PER UNIT	% OF TOTAL INCOME	PRO FORMA	PER UNIT	% OF TOTAL INCOME	% CHANGE
Real Estate Taxes <sup>10</sup>	\$89,803	\$5,283	20.4%	\$81,021	\$4,766	23.8%	-9.8%
Tax Prep <sup>11</sup>	\$43,928	\$2,584	10.0%	\$0	\$0	0.0%	-100.0%
Insurance	\$21,815	\$1,283	4.9%	\$21,027	\$1,237	6.2%	-3.6%
Utilities Total	\$82,264	\$4,839	18.7%	\$60,735	\$3,573	17.8%	-26.2%
Utilities - Electric	\$56,460	\$3,321	12.8%	\$34,471	\$2,028	10.1%	-38.9%
Utilities - Water & Sewer	\$15,192	\$894	3.4%	\$16,364	\$963	4.8%	7.7%
Utilities - Gas	\$5,223	\$307	1.2%	\$5,100	\$300	1.5%	-2.4%
Utilities - Telephone & Internet	\$5,389	\$317	1.2%	\$4,800	\$282	1.4%	-10.9%
Contract Services Total	\$74,034	\$4,355	16.8%	\$70,303	\$4,135	20.6%	-5.0%
Contract Services - Trash	\$15,347	\$903	3.5%	\$10,700	\$629	3.1%	-30.3%
Contract Services - Landscape/Snow	\$9,305	\$547	2.1%	\$7,000	\$412	2.1%	-24.8%
Contract Services - Pest Control	\$321	\$19	0.1%	\$1,968	\$116	0.6%	-
Contract Services - Cleaning	\$21,595	\$1,270	4.9%	\$21,490	\$1,264	6.3%	-0.5%
Contract Services - HVAC	\$17,756	\$1,044	4.0%	\$17,510	\$1,030	5.1%	-1.4%
Contract Services - Elevator	\$2,783	\$164	0.6%	\$4,635	\$273	1.4%	66.6%
Contract Services - Fire Alarm System	\$6,927	\$407	1.6%	\$7,000	\$412	2.1%	1.1%
Payroll	\$19,712	\$1,160	4.5%	\$22,093	\$1,300	6.5%	12.1%
Repairs & Maintenance & Turnover	\$30,000	\$1,765	6.8%	\$20,875	\$1,228	6.1%	-30.4%
Management Fee <sup>12</sup>	\$29,109	\$1,712	6.6%	\$27,274	\$1,604	8.0%	-6.3%
General & Administrative	\$9,761	\$574	2.2%	\$7,602	\$447	2.2%	-22.1%
Licensing & Legal	\$24,491	\$1,441	5.6%	\$8,770	\$516	2.6%	-64.2%
Marketing & Advertising <sup>13</sup>	\$1,882	\$111	0.4%	\$8,500	\$500	2.5%	351.6%
Security	\$14,282	\$840	3.2%	\$12,474	\$734	3.7%	-12.7%
Total Expenses <sup>14</sup>	\$441,082	\$25,946		\$340,674	\$20,040		-22.8%
Expenses Per SF	\$19.24			\$14.86			-22.8%
% of EGI	72.93%			38.90%			-46.7%
Net Operating Income (NOI)	\$163,696	\$9,629		\$535,039	\$31,473		226.8%
Reserves	\$0	\$0		\$4,250	\$250		

# NOTES & ASSUMPTIONS

1. All current income and expenses are from the owner provided 2023 Year End Operating Statement
2. Pro Forma Gross Potential Rent reflects the potential market rents from only the residential units
3. Pro Forma Utility Reimbursement set to \$217/Month/Unit consistent with current operations
4. Pro Forma Income from Fees & Resident Charges is increased 3% to account for inflation
5. Pro Forma Retail Income assumes the space is leased at \$45/SF
6. Pro Forma Retail Tax Recovery assumes the retail tenant is triple net and is responsible for a proportionate amount of Real Estate Taxes
7. Pro Forma Vacancy set to the submarket average of 7%
8. Pro Forma Bad Debt is set to 1% of the Gross Potential Rent
9. Concessions are assumed to be removed on Pro Forma
10. Pro Forma Real Estate Taxes use the 2024 Assessed Value from DC Office of Tax and Revenue (Property successfully appealed a lower assessed value for the retail parcel)
11. Tax Prep Expense is assumed to be removed on Pro Forma
12. Pro Forma Management Fee is set to 3.5% of EGI consistent with current management agreement
13. Pro Forma Marketing and Advertising assumed a budget of \$500/Unit for new management's marketing strategy
14. All other Pro Forma expense estimates are taken from the owner provided 2024 budget

PHOTOS

Modo Hallway Mural

# CONDO CONVERSION MODEL

CONDO CONVERSION MODEL	
Total Lot SF	4,674
Zoning	NC-8
Core Factor	11%
Stories	5
Gross Existing SF	22,920
Gross Buildable SF	22,920
Estimated Sellable Percentage	89%
Estimated Condo Units <sup>3</sup>	18
Average Condo Unit SF	1,137
Estimated Total Sellable SF	20,460
Estimated Condo Outsale Price/SF <sup>4</sup>	\$625.07
Gross Condo Outsales	\$12,789,000
Gross Value per Condo Unit	\$710,500
Hard Construction Costs/SF	\$20.00
Total Hard Construction Costs <sup>6</sup>	\$458,400
Architecture & Soft Costs/SF	\$15.00
Total Architecture & Soft Costs <sup>5</sup>	\$343,800
Insurance	\$10,000
Cost of Outsales (% of Gross)	12.45%
Cost of Outsales <sup>1</sup>	\$1,592,231
Holding Period (Months)	18
Developer Profit %	10.0%
Developer Profit & Fees Total	\$1,278,900
Estimated Carrying Costs <sup>2</sup>	\$423,555

CARRYING COST INPUTS	
Carrying Costs	\$423,555
Acquisition Cost (Property Sale Price)	\$7,480,000
Total Property Taxes	\$95,370
Property Tax Rate (%)	0.85%
Total Debt Service	\$328,185
Acquisition Loan to Value (LTV)	65.0%
Acquisition Loan Interest Rate (%) <sup>7</sup>	6.75%
Acquisition Loan Amortization Period (Years)	30
Construction Period (Months)	18

COST OF OUTSALES	
Cost of Outsales	\$1,592,231
Cost of Outsales (%)	12.45%
Real Estate Commissions	6.00%
Transfer & Recordation Tax	1.45%
Condo Conversion Tax	5.00%



# NOTES & ASSUMPTIONS

1. Cost of Outsales includes real estate commissions (6%), Transfer & Recordation fees (1.45%), and condo conversion taxes (5%).
2. Carrying Costs assumes an acquisition loan with a 6.75% interest rate at 65% loan-to-value of acquisition costs and a 30 year amortization. It also assumes an annual property tax rate of 0.85% carried for 18 months of construction through outsale.
3. Total Condo Units assumes 17 Residential Units and 1 Retail Condo.
4. Residential Units are assumed to be sold for \$650/SF and the Retail Condo is assumed to be sold for \$500/SF. The Outsale \$/SF reflects a blended average of the two.
5. Soft Costs are assumed to include legal costs, tenant payouts, shelf registration, amongst others.
6. Hard Costs assumes that some finishes in units will need to be refreshed prior to outsale.
7. Acquisition Loan is assumed to be interest only.



PHOTOS

Modo Hallway Mural

# MULTIFAMILY CONTACTS

## MARTY ZUPANCIC

Senior Vice President Investments  
O (202) 536-3788 | M (202) 379-8383  
Marty.Zupancic@MarcusMillichap.com

## RYAN MURRAY

Associate  
O (202) 536-3777 | M (301) 404-7965  
Ryan.Murray@MarcusMillichap.com

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## NICK MURRAY

Senior Associate  
O (202) 536-3784 | M (301) 586-7010  
Nick.Murray@MarcusMillichap.com

## JOHN SLOWINSKI

Associate  
O (202) 536-3780 | M (301) 792-6760  
John.Slowinski@MarcusMillichap.com

## ANDREW PACIOUS

Associate  
O (202) 536-3725 | M (703) 310-8504  
Andrew.Pacious@MarcusMillichap.com

## CARTER KANE

Associate  
O (202) 536-3741 | M (301) 500-8003  
Carter.Kane@MarcusMillichap.com



Marcus & Millichap  
THE ZUPANCIC GROUP

## OPERATIONS

### SUSIE ASHLEY

Marketing & Operations Manager  
O (202) 536-3785  
Susan.Ashley@MarcusMillichap.com

### AUSTIN PARKER

Multifamily Analyst  
O (202) 536-3787  
Austin.Parker@MarcusMillichap.com