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# Rock Creek Property Group cuts ties after converting Chinatown site into homeless shelter

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The Rock Creek Property Group has sold the former Gospel Rescue Missions building in Chinatown for \$28.5 million after inking a deal to lease the property for the next two decades to the District for use as a homeless shelter.

Rock Creek sold the 32,248-square-foot property March 10 for about \$883 per square foot to a joint venture between Friedman Capital and Amalgamated



Rock Creek Property Group LLC has sold the former Gospel Rescue Ministries building for \$28.5 million.

Casualty Insurance Co. The partners picked up the property at 808-810 Fifth St. NW as a long-term hold, Friedman Capital Managing Partner Brian Friedman said, though they could revisit their options as the District's 20-year lease nears expiration.

"If there's still a homeless problem in Washington, D.C., and the population continues to rise, then we will continue to operate it as a homeless shelter," Friedman said. "At this point, all options will be on the table."

Rock Creek bought the property for about \$6 million roughly three years ago with plans to convert it into a 50-unit residential development. In the interim, the D.C. Department of Housing Services expressed an interest in it for a homeless shelter, and the District signed a long-term lease contingent on Rock Creek converting the building for that use.

That work has wrapped up, the value in the real estate has been created, and that made it an attractive acquisition for Friedman and ACIC, Friedman said. Friedman, who has an affinity for historic properties, is also a founder and managing partner of Foxhall Partners, which has developed projects across the metro area. While the site might be ripe for redevelopment at some point in the future, especially given its location close to Mount Vernon Triangle, he said neither his group nor ACIC are in a rush given the revenue the lease with the District will be generating over the next 20 years.

The deal was one of three spokes of a 1031 exchange for ACIC, which sold its headquarters at 500 Morse St. NE last summer to LCOR Inc. to make way for a planned redevelopment there, ACIC Chairman Patrick Bracewell said. The company, which is planning to relocate to another location, is reinvesting its proceeds from that sale into two other properties including 2805 M St. in Georgetown. It is seeking about 10,000 square feet for a new home but has not selected a new site.



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