



Family Matters of Greater Washington (FMGW)

Regions: Washington, DC

Service(s) Provided: Building Sale, Tenant Representation, Lease vs. Buy, Strategic Planning, Consulting

Size: 32,000 SF Office Building; 24,000 SF Office Lease

Timing: 2.5 Years

Challenge

Family Matters of Greater Washington (FMGW) is one of the oldest, nationally accredited social service organizations in the Washington Metropolitan area and has maintained its leadership and reputation of excellence since 1882.

FMGW purchased 1509 16th Street, NW in 2006 as its headquarters building occupying the entire 32,000 SF for its own use. In 2013 FMGW determined the building and its location was not the best vehicle to serve FMGW's client base. FMGW required help in evaluating the short and long term impacts of their real estate on their strategic business plan.

Solutions

FMGW hired the team of Newmark to provide a strategic real estate plan analysis to determine the impact of selling the building and relocating the headquarters facility. The decision to sell the building was implemented and in early 2015 the building was sold for \$14.5M. Newmark sold the property for \$2.5M more than market value.

Newmark performed an exhaustive search for relocation options. Based on Newmark's lease versus buy analysis FMGW decided to pursue lease alternatives and in May 2015 signed a lease for 24,000 SF at 425 Eye Street, NW. The negotiations resulted in a below market rental rate, tenant improvement allowance that included construction of the offices and new furniture and eighteen months of rental abatement at the start of the term.



1509 16th Street, NW



425 Eye Street, NW