



President's Report

209 South Commerce Street Alexandria, VA

The office building at 209 S. Commerce Street is a three-story, free-standing structure, originally built in 1880 and fully renovated in 1991 (including the installation of up-to-date electrical and plumbing systems). The building has been regularly maintained since that time: it was last painted in 2015, for example, and also in 2015, a new roof, gutters, and drain spouts were installed. This work was all undertaken by an architectural firm that has owned and been resident in the building since 1991. The firm is selling the building because the principal partner is retiring and the partner who is succeeding him prefers to locate the firm in a different space.

All of which is to say: an initial, very appealing thing about this building is that it is both a historic Alexandria property (which feels appropriate for ASOR), yet it is a space that has been fully updated for the 21st century (fire and life-safety systems are, for example, all up-to-code and beyond, and the building has ADA access in place for the first floor and an ADA-usable bathroom on that floor as well). Not surprisingly, moreover, architects are very fussy about the quality and livability of their space, so a great deal of attention has been paid to details: the lighting, for example, is of much higher grade than your standard office fluorescents, and built-in storage (file cabinets, cupboards, bookcases, small closets) are tucked into every available cranny. A great deal of attention has also been given over to bringing in natural light, both through the use of interior windows and through the use of skylights on the third floor.

The building is a good size. It is about 2900 square feet, and this does not include 600-700 square feet or so of usable storage space in the basement. The space is divided into 5 individual offices (one of which is meant to hold two people), a reception area (with a work

space/desk for a receptionist), a conference room, a combination kitchen-workroom, and (on the third floor) two open office work spaces. There are currently about 14-15 people who work in the building. Of these 14-15 people, moreover, three (on the second floor) are part of a different business, as the building is designed so that each floor has its own utilities (including heat and A/C). This means each floor can be rented out, if desired, to a tenant. All the offices, plus the conference room, reception area, and open office work spaces have windows.

As my comments above about routine maintenance might suggest, the building is in move-in condition. The only recommendation I would make in terms of work to do before moving in is to refinish the original wide-plank wood floors on the first floor. There is also a sort of peculiar diagonal, non-load-bearing wall that divides the kitchen/workroom space that might be taken down.

The location of the building is very appealing: the building is literally steps off King Street, the main "drag" in Old Town Alexandria and so literally steps from hip restaurants, coffee shops, shopping, etc. Our Alexandria staff -- whom we took to see the building -- all agreed that this would be a real plus in terms of staff recruitment and retention. Indeed, the staff described the building as "charming" and as a place "where it feels like it would be a pleasure to come to work." They noted, moreover, that the space would not just be appealing to them; it would be appealing, and present well, to donors and visitors.

Furthermore, the staff liked the fact that the building is a 7 minute walk from the King Street Metro Station and a 10 minute walk to Alexandria commuter rail. For those who drive, there are six parking spaces in the back. Because the metro is so close, moreover, it would be possible -- when Andy or others on the staff needs to travel -- to park at 209 S. Commerce, walk to the metro, ride two stops to National Airport, and be on a plane.

In conclusion, the Board should note that the price is right. The asking price is \$1,195,000, and we think we can get it for somewhat less. Indeed, on December 19, 2018, Andy and I submitted a non-binding letter of intent with an offer of \$1,075,000. The current owners have furthermore indicated that almost none of the furnishings are going to be moved to the firm's new location, and so they will either be discarded or could be conveyed with the building -- meaning, potentially, a significant savings for us, as we have either already discarded or do not intend to move most of our Boston furniture.

As always, I am happy to discuss any of the points I raised above further with any of you, and I also am happy to answer any other questions you might have.