Commercial Property Acquisition Fund
Frequently Asked Questions

What is the Commercial Property Acquisition Fund?

Mayor Bowser and the Office of the Deputy Mayor for Planning and Economic Development, in partnership with the Council of the District of Columbia, are strategically investing up to $1.5 million in the Commercial Property Acquisition Fund. The Commercial Property Acquisition Fund is designed to provide down payment assistance through grants of up to $500,000 or 25% of the sale price, whichever is less, to eligible DC-based businesses looking to maintain and expand their operations to a physical presence by acquiring commercial property located in the District.

Pursuant to the Deputy Mayor for Planning and Economic Development Limited Grant-Making Authority Act of 2012, effective September 20, 2012 (D.C. Law 19-168; D.C. Official Code §1-328.04(v), the Commercial Property Acquisition Fund would offer grants aimed at providing much-needed support for equity impact enterprise business or business eligible to be a certified equity impact enterprise who seek to purchase and locate within commercial property within the District of Columbia. An equity impact enterprise is a resident-owned, small business that it is at least 51% owned by an individual who is, or a majority number of individuals who are economically-disadvantaged or have been subjected to racial or ethnic prejudice or cultural bias.

For the Commercial Property Acquisition Fund, the term "property" is defined as existing properties located in the District of Columbia that are zoned for the commercial use proposed by the applicant, including commercial condos and mixed-use properties. This excludes vacant or undeveloped plots of land that can be developed into commercial property.

Important Dates and Considerations:

- Grant application will open on March 11, 2026, and funds will be awarded on a rolling basis until funds are expended.
- Awards will be made on a first-come, first-served basis to eligible applicants who demonstrate that they are in the commercial property acquisition process. Applicants must provide a purchase agreement and lender pre-approval/term sheet to be selected. Businesses need to demonstrate the ability to finance additional expenses associated with opening their business at the selected property.

Eligible applicant business requirements include*:

- Must be an equity impact enterprise or business eligible to be an equity impact enterprise (EIE) AND
  - o Be independently owned and operated, in the case of a franchise
  - o No more than 100 employees/subcontractors
  - o Annual revenues less than $15 million; and
  - o Commit to own and operate a business in at least 51% of the leasable square footage of the acquired commercial property as an equity impact enterprise or business eligible to be an equity impact enterprise for at least 7 years.
- Property of interest must be located in the District of Columbia.
- At least 51% of the business owners must be DC residents according to the EIE definition.
- Must employ at least one District resident (may include owner).
- Must be currently open & operating prior to October 1, 2025.
- Business must be in good financial standing and revenue-generating prior to October 1, 2025. Revenue streams should align with the business activities listed in the application. Proof of sales may be required.

- Businesses must submit a term sheet from a lender operating in the DMV. Lender must have a commercial office in the District, Maryland, or Virginia. Term sheets from hard money lenders will not be considered. Businesses must secure additional financing if the property requires renovations, buildout, equipment purchase, and other uses to start operations as described in their project.
- Must submit a Certificate of Clean Hands obtained within 90 days of application submission date.
- Property must be zoned for the commercial use proposed by the applicant. The current use of the property must reflect retail/office/commercial occupancy.
- Applicants currently under contract must not close on property before funds are disbursed.
- Applicants with multiple existing locations may occupy (rent) no more than two locations in the District prior to application submission.
- Applicants may not own other commercial property in the District (owner(s) and/or business).
- Applicant may apply for assistance for only one commercial property.
- Applicants must provide at least 5% of the purchase price at closing for properties up to $1.5 million and 8% for properties $1.5 million or greater.

Ineligible Businesses include:

- Banks or financial institutions.
- Collections services or speculative activities businesses.
- Real estate agent, broker, consultant, developer, investor, or lender.
- Construction company.
- Non-profit.
- Seasonal - only operates for part of the year.
- Cannabis or cannabis related businesses.

Eligible Properties Include:

- Buildings zoned for commercial use
- Commercial condos
- Mixed use property with less than 50% residential use.

Example of ineligible properties:

- Residential House (R) Zones, Residential Flat (RF) Zones, Residential Apartment (RA) Zones.
- Property type residential-single family home.

Other Notes:

- Additional information and documents will be requested from the applicant prior to selection to confirm financial fitness to purchase and maintain commercial property.
- Must enter into First Source Agreement with DOES if award is greater than $300,000.00.
- Must meet DSLBD Certified Business Enterprise Subcontracting Requirements.

FREQUENTLY ASKED QUESTIONS

What is EIE-Eligible?
"EIE-eligible" means a business entity organized for profit that does not have an active certificate of registration as a Certified Business Enterprise (CBE) issued by the Department of Small and Local Business Development pursuant to D.C. Official Code § 2–218.61, but can nonetheless demonstrate that it meets all requirements for certification as an equity impact enterprise pursuant to D.C. Official Code § 2–218.02(8A), Chapter 8 of Title 27 of the District of Columbia Municipal Regulations, and is not currently subject to penalties by the Department pursuant to D.C. Official Code § 2–218.63.

Under D.C. Official Code § 2–218.02(8A), and "equity impact enterprise" means a business enterprise that is a resident-owned business, as defined by D.C. Official Code § 2–218.02(15), and a small business enterprise, as defined by D.C. Official Code § 2–218.32, that can demonstrate that it is at least 51% owned by an individual who is, or a majority number of individuals who are:

(A) Economically disadvantaged individuals, as defined by D.C. Official Code § 2–218.02(7); or

(B) Individuals who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities.

When will I receive my award notification letter?
If a complete application is submitted and does not require additional documents, we anticipate conditional award notifications will begin as early as June 2026.

If I am selected for the award, what are my next steps?
If selected for the award, you'll receive a notification letter from City First Enterprises outlining your next steps, which may include supplying additional documentation.

What are the minimum and maximum amount of funds that I can receive?
Eligible Businesses can receive up to $500,000 or 25% of the down payment cost, whichever is lowest. This is based on funding availability.

Can I apply more than once for the same business? Will I receive grant funds on an annual basis?
This is a one-time grant and offers one application per business. If you own more than one business, you can only apply for one entity. Businesses operating in more than two locations at the time of application submission are not eligible for this grant program.

What if I can't provide my documents in time?
To be eligible for funding, businesses must provide all required documentation at the time of their application or when funds are expended.

My business opened after October 1, 2025. Am I eligible to apply?
No. We are only accepting applications from businesses who have opened and are revenue generating before October 1, 2025.

My business is permanently closed or temporarily closed with plans to reopen soon. Am I eligible to apply?
No. This fund is for businesses that are open and have a plan to remain open.

What types of businesses are ineligible to apply for the Commercial Property Acquisition Fund?

- Banks or financial institutions, collections services or speculative activities businesses. Real estate agent, broker, consultant, developer, investor, or lender. Construction companies. Non-profit entities. Seasonal - only operates for part of the year. Cannabis or cannabis related businesses.

Is a Clean Hands Certificate required to be eligible to apply for the grant?
Yes. A current Clean Hands Certificate is required to apply for the grant. The Clean Hands Certificate must be obtained within 90 days of application submission date.

Can I ask a question about my materials before submitting my application?
Yes. Please email CPAF@cfenterprises.org with your question in as much detail as possible.

Are sole proprietors eligible to receive a grant from the Commercial Property Fund?
Sole proprietors are eligible to receive a grant provided they meet all of the eligibility qualifications.

I am a sole proprietor with a physical business presence in DC but my home residency is in Maryland, Virginia or another state. Am I eligible?
No. Sole proprietors must be DC residents. Note: This is one of the eligible requirements for Equity Impact Enterprise.

My business was established in and currently operates in another state or country, but I am looking to use these funds to open a physical presence in the District. Am I eligible?
No. Even if the business belongs to DC residents, the eligible businesses must be incorporated in the District and have already have an existing location in the City. Business owners must be DC residents.

I am an e-commerce business and currently lease a warehouse or office space but would like to open a physical storefront. Am I eligible?
Yes. The business is eligible to apply, as long as they do not currently own commercial property and do not occupy more than two existing physical properties at the time of application submission.

I own a pop up/seasonal business. Am I eligible to apply?
No. Seasonal businesses are not eligible for this funding opportunity.

I am a non-profit organization. Am I eligible to apply?
No. Non-profit organizations are not eligible to apply.

I do not have a Basic Business License, or my Basic Business License is expired or has been revoked. Am I eligible to apply?
No. An active DC Business License is required to be eligible to apply to the Commercial Property Acquisition Fund and must be valid. The license should be valid at least from October 1, 2025.
If you have an expired or revoked license, please submit this document in your application. Once you have received a new license please provide it to the administrator.

Once I apply for the Commercial Property Acquisition Fund, am I guaranteed to receive a grant?
No, applications are open on a rolling basis as funding is available and for businesses who are ready to purchase commercial property at time of application and meet all the requirements.

Will the District require any additional documents for the Commercial Property Acquisition Fund?
In its sole discretion, the District and/or City First Enterprises may elect to request additional documents at any point of the application and/or funding process. The District and/or City First Enterprises will notify applicants and/or potential awardees of the documentation requirements.