07.20.2026 Notes — 1346 N. Rock Hill Road and CFS

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Brothers,

Attached are my notes summarizing our discussion Monday evening regarding the possible sale and development of the rental property at 1346 N. Rock Hill Road for Christian Family Services (CFS).

--- Bret



07.20.2026-NotesOnMXPropertySale.pdf

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Summary — Possible Sale of 1346 N. Rock Hill Road to Christian Family Services (CFS)
McKnight Elders Meeting, July 20, 2026

1. McKnight's rental properties and willingness to consider a sale
McKnight owns two adjacent rental homes at **1346 and 1356 N. Rock Hill Road**. The elders previously determined that the properties were not practical for parking-lot expansion and should instead be viewed as investment assets and revenue-producing properties.

McKnight is willing to consider offering **1346 N. Rock Hill Road**, the corner property, to Christian Family Services (CFS) for purchase and development as a new CFS office and service facility. No final decision to sell has been made.

2. CFS's preliminary interest and feasibility review
CFS has expressed strong interest in purchasing 1346. Eric McPherson, CFS Executive Director, has been working with Engenuity and an architect to evaluate the property. Their preliminary opinion is that the proposed CFS use may be possible through a special-use permit within the existing zoning restrictions.

3. Additional planning and due diligence
CFS's engineer is obtaining the existing CAD survey and will need to evaluate:

- Possible building placement and size.
- Parking and traffic circulation.
- Setbacks and lot coverage.
- Drainage and floodplain conditions.
- Utilities, access, and shared-property needs.
- Applicable building, fire, accessibility, and occupancy codes.

The architect is expected to prepare a preliminary building concept for review by Ladue. The project remains at an early stage, and neither McKnight nor CFS yet knows what building and parking arrangement Ladue will approve.

4. Permitting concerns under either ownership structure
A significant concern is the extent of Ladue's zoning, architectural, engineering, and permitting process. The elders discussed whether McKnight retaining ownership and developing the property as part of the church campus might simplify the land-use approval process.

However, **substantial permitting and review will be required regardless of whether CFS or McKnight owns and develops the property**. Either structure is likely to involve site-plan review, architectural drawings, building permits, parking and setback analysis, drainage and stormwater review, code compliance, inspections, and approval for occupancy.

CFS ownership may add some requirements because CFS is a separate legal entity establishing a new institutional use. McKnight ownership might simplify one part of the zoning argument if the facility can be treated as an extension of the existing church campus. Nevertheless, McKnight ownership would not eliminate the underlying construction and regulatory process.

Accordingly, permitting should be understood as a necessary and potentially burdensome part of the project and not a headache that can be completely avoided by changing the ownership structure. The possibility of modestly simpler permitting should be weighed against the additional financial,

construction, contractual, and liability risks McKnight would assume by acting as developer. The elders discussed these competing considerations during the meeting.

5. Preferred and backup transaction structures
The preferred approach would be for **CFS to purchase the property and assume responsibility for design, permitting, financing, construction, ownership, and operation** of the new facility. This would provide the clearest separation of responsibilities and reduce McKnight's financial and construction exposure.

If CFS ownership creates land-use or permitting obstacles that make that structure impractical, a secondary option could be for McKnight to retain ownership and develop the facility for CFS. McKnight could then:

- Enter into a long-term lease with CFS; or
- Sell the completed property to CFS after development.

This backup approach should be considered only if it provides a meaningful permitting advantage and if CFS fully funds the project or otherwise protects McKnight from inappropriate financial exposure.

The elders also discussed possible deed restrictions or reversion provisions under which the property would return to McKnight if CFS ceased using it for its intended ministry purpose. No particular structure was approved.

6. Property valuation and a fair transaction
The transaction does not necessarily need to be negotiated as a conventional arm's-length sale to an unrelated buyer. Nevertheless, McKnight should understand the property's current fair market value and reach a price that is fair and beneficial to both organizations.

Existing valuation information includes:

- A professional appraisal of approximately **$360,000**.
- A County Board of Equalization value of **$406,600**.
- A reasonable working market range of approximately **$375,000 to $425,000**.

No sale price or discount was agreed upon. If McKnight sells below fair market value, the difference should be recognized and documented as an intentional contribution to the CFS ministry rather than presented as the property's market value.

7. Near-term approach
For now, McKnight should allow CFS to continue working with its architect and engineer to:

- Review the survey and site constraints.
- Develop preliminary building and parking concepts.
- Discuss the proposal with Ladue.
- Determine the likely zoning and permitting requirements.
- Better define the project's feasibility and estimated cost.

The elders generally believed it would be premature for McKnight to interfere with that process or begin detailed sale negotiations while the project remains conceptual. CFS should continue driving the preliminary design and approval work.

Once CFS has a viable concept and a clearer understanding of Ladue's requirements, McKnight and CFS can begin more formal discussions concerning:

- Purchase price and timing.
- Title-transfer timing.
- Shared parking or access.
- Easements and utilities.
- Construction responsibilities.
- Deed restrictions or reversion rights.
- Tenant notice and transition.
- Any conflict-of-interest or recusal considerations.

8. Fallback if development is not feasible

If Ladue will not approve a viable CFS development under either ownership structure—or if the permitting, site constraints, or costs make the project impractical—McKnight should promptly reconsider the future of 1346 as an investment asset.

Because 1346 has experienced flooding and has required comparatively more repairs, upkeep, and management, it has previously been identified as the stronger candidate for sale.
In that event, McKnight should consider:

- Obtaining an updated appraisal and market analysis.
- Giving the current tenant appropriate notice.
- Listing the house for sale through the regular residential real-estate market.
- Selling it to any qualified buyer offering fair and reasonable terms.
- Redeploying the proceeds toward debt reduction, investment, reserves, or other ministry priorities.

The CFS opportunity should not cause McKnight to hold the property indefinitely if the proposed development cannot obtain approval. Since the property is held primarily as an investment, an open-market sale would be a reasonable fallback.

Working conclusion

McKnight is willing to explore selling **1346 N. Rock Hill Road** to CFS, with an outright CFS purchase and development as the preferred path. McKnight ownership and development should remain a backup only if it produces a meaningful permitting advantage and the additional risks can be appropriately controlled.

Permitting and regulatory review will be substantial under either structure. McKnight ownership may simplify certain land-use questions, but it will not eliminate the development and approval process.

The immediate next step is to allow CFS to complete its preliminary survey, design, and conversations with Ladue. If a viable project emerges, McKnight can obtain an updated appraisal and negotiate a fair, win-win transaction. If development cannot be approved or is not economically practical, McKnight should move reasonably promptly toward offering 1346 for sale on the open residential real-estate market.


Litzsinger Rd
Litzsinger Rd
Rock Hill Rd
Rock Hill Rd
McKnight Crossings Church
9446
S McKnight Rd
Christians Who Care - Food Pantry
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1356
Rock Hill Rd
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1346
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Litzsinger Rd
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