



Office Building Trades for \$62.7 Million in Downtown DC

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By Anne Kasper, Contributing Editor

The Washington, D.C., investment market maintained its strong momentum with the sale of 1150 18th St., N.W., for \$62.7 million. A&A 1150 18th Street Associates L.L.C. sold the 173,010-square-foot property located in D.C.'s central business district to U.S. Property Fund III, which is sponsored by TMW, a division of Prudential Real Estate Investors.

"(It's) consistent with the aggressiveness we've seen in the CBD," said Jim Meisel, executive director with Advantis/GVA. "The CBD sales continue to be big numbers. ... Lack of supply is a big part of it. There's not a lot of buildings for sale Downtown."

The 10-story, Class A office building, which was 89 percent leased at the time of the sale, is located mid-block. "I think what they achieved was a record price for a mid-block building," said Warren Dahlstrom, senior director with Cushman & Wakefield Inc., who represented the buyer in the transaction.

Dahlstrom also represented A&A three years ago when they first purchased the asset for \$43 million. The property was originally developed in 1990 by a joint venture between Paracor Finance and Kaempfer Co. for roughly \$68 million, he noted. "It was very expensive to create a high class building in a mid-block location."

This is the eighth building A&A has sold in the past 90 days, with the dispositions totaling \$142.7 million dollars. According to a company statement, the firm is trying to reposition capital into other markets. In contrast, Dahlstrom pointed out that this is the 10th acquisition TMW has made in D.C. in the past several years, most recently purchasing 2100 M St., N.W.

Cambridge represented the seller in the transaction and handled the leasing and management of the building, a role it will continue. The buyer was also represented by Chip Ryan and Jim Luck of Cushman & Wakefield Inc.