

## **Adler Group, AREA start \$350M portfolio acquisition**

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MIAMI - AP AG Portfolio, LLC - a joint venture between AREA Property Partners and Adler Group - announced the closing on the first stage of a \$350 million purchase of a 3,087,945sf portfolio of multi-tenant office and warehouse assets offered by Washington Real Estate Investment Trust in the Washington, D.C., market.

This first stage of transactions resulted in the acquisition of 2,284,272sf of commercial properties. The final phase of transactions to acquire the portfolio's remaining 803,673sf will be completed in the next two months.

AREA and Adler Group are acquiring the portfolio, which consists of industrial assets comprising the entirety of WRIT's industrial division and some office properties spanning four D.C. submarkets, primarily in key Northern Virginia suburbs, but also including strong suburban Maryland locations.

Current occupancy levels across all properties combined is averaging at 79%. Both AREA and Adler Group recognize the resiliency of the regional economy as an opportunity to increase occupancy across all properties by retaining valued tenants and reaching out to businesses in various industries looking to fill a wide range of operating space needs.

The properties combined are currently home to some of the nation's preeminent corporations including GE Healthcare, MedImmune, Raytheon, L-3 Communications, ITT Educational Services and American Honda Motor Company, along with bases of operations for numerous federal agencies.

The average tenant size is 13,000sf, with the largest tenant occupying more than 140,700sf of industrial space.

"We are planning to add value for these assets by taking occupancy levels from the high 70 percentile above the 90% mark by focusing on concerted property improvement, marketing and management efforts," said Matthew L. Adler, chief investment officer for Adler Group.

This portfolio buy marks the latest collaboration between AREA and Adler Group, which have been joint venture partners since 1998 in the acquisition and operation of more than 8 msf of commercial real estate.