

Moore&Associates, URDANG Buy Massive D.C. Office Complex

Joint venture plans to reposition Station Square in vibrant Silver Spring submarket.

BETHESDA, Md. – (Jan. 07, 2010) – Moore&Associates Inc., developer of the Station Square office complex in Silver Spring, Md., has repurchased the asset in a joint venture with Urdang Value-Added Fund II L.P. The joint venture acquired the Class-A, three-building property in December for an undisclosed sum and will immediately commence a multimillion-dollar renovation of all three buildings.

The seller was National Office Partners Limited Partnership, a joint venture of Hines and the California Public Employees' Retirement System (CalPERS), which purchased the 500,000-square-foot asset in 2005 from Moore&Associates for \$129.8 million. Bill Prutting Jr., Bill Kaye and Randall Heilig of CB Richard Ellis' Investment Properties Group represented the seller in the recent sale.

“Reentering Silver Spring now feels right,” Lloyd W. Moore, Chairman of Moore&Associates, said of the company’s return to Silver Spring and to Station Square, which it developed in the mid 1980s and owned, managed and leased until the sale to National Office Partners.

“Our decision to sell in 2005 was driven by historically low capitalization rates,” Moore said. “Today, capitalization rates are much higher and Silver Spring remains a strong office market in a balanced urban center.”

Moore&Associates has been instrumental in the evolution of Silver Spring, which is enjoying a resurgence in anticipation of the opening in 2011 of one of the metro area’s largest comprehensive transit centers, now under construction on a tract adjacent to Station Square. In addition to developing Station Square, Moore&Associates assembled the land that is now home to Discovery Communications’ 600,000-square-foot headquarters and Silver Spring’s Town Center, a vibrant, live-work-play retail and entertainment corridor.

Moore & Associates’ acquisition of the property is a joint venture with Urdang Value-Added Fund II L.P. “We found the acquisition of Station Square to be compelling as the complex is situated in a highly desirable, transit-oriented, infill location in a strong Washington D.C. submarket.” said David L. Rabin, Managing Director of Acquisitions at Urdang. “The attractive cost basis and ability to create value in the asset through a repositioning plan were also key investment factors.”

“Station Square fits our acquisition strategy perfectly,” said Stephen P. Durr, Moore&Associates’ President. “We’re searching for properties with solid fundamentals in excellent locations and at prices that are reflective of the current investment sales market.

“Opportunities that require repositioning are all the more exciting because through hands-on control of property management, leasing and construction, we can maximize the opportunity for success,” Durr says. “Station Square fits the bill in every way.”

Station Square marks the fourth joint venture acquisition between Urdang Capital Management and Moore&Associates. The two firms own Bethesda Towers, a 540,000-square-foot office complex in Bethesda, Md., and two office buildings in Austin, Texas.

Urdang Value-Added Fund II L.P. is a private real estate fund managed by Urdang Capital Management Inc., based in Plymouth Meeting, PA. Urdang Capital Management is a provider of real estate investment management services and currently manages in excess of \$3.3 billion in private equity, debt and global real estate securities. Urdang is part of BNY Mellon Asset Management.

Moore&Associates is an owner-managed, full-service commercial real estate investment, development and management firm serving affiliated and independent clients. With more than 50 employees, the firm has completed \$800 million in capital transactions during the past four years and currently manages 2 million square feet of office properties.