

# **Meridian Group Sells Sites for 691 Luxury Apartment Units to Archstone Smith**

*Residential developer acquires space at National Gateway at Potomac Yard*

ARLINGTON, VA, May 29, 2007 - The Meridian Group, based in Bethesda, MD, has finalized the sale of two sites approved for 691 luxury apartments at National Gateway at Potomac Yard in Arlington, Virginia to Archstone Smith. Archstone will develop two luxury residential towers, totaling 691 units, at the 4.5 million square foot mixed-use development. The towers will overlook National Gateway's two-acre landscaped Center Park and will feature 37,000 square feet of restaurants and shops.

"Archstone Smith is a well respected and successful developer known for high-quality, luxury residential developments. We are delighted to have them at National Gateway", stated David Cheek, President of The Meridian Group.

In addition to the recent sale to Archstone, Meridian sold 1.9 acres to Marriott International this past February for 625 hotel rooms that are slated for their Renaissance and Residence Inn brands. An additional 1.2 million square feet of office density is held by Meridian for future development.

Meridian recently received final site plan approval to proceed with 1.3 million square feet of office, residential and retail space. The approval included: a 445,000 square foot office building; two residential towers totaling 691 apartment units; 102,000 square feet of retail space and a two-acre park. In a joint venture with Archon Group, Meridian will build the 445,000 square foot office component on a speculative basis, Meridian plans to start construction in August 2007 with delivery expected in 2009.

"We are very excited to move forward with construction," said Cheek. "Market conditions inside the Washington Beltway remain strong in all sectors and we expect to deliver into a supply-constrained environment, especially for mixed use projects. Working through many details with the Arlington County staff has resulted in an exciting design that will showcase the best in urban community development."

National Gateway at Potomac Yard is located minutes from Washington, DC and within close proximity to the Pentagon and Reagan National Airport. Its location just south of Crystal City between Route 1 and the George Washington Parkway also allows for high visibility and easy access. Upon completion, the 40-acre project will offer 2.2 million square feet of office space, 625 hotel rooms, 1,550 residential units and more than 185,000 square feet of street retail anchored by Harris Teeter and a 45,000 square foot health club. A major focal point of National Gateway is Center Park, a two-acre landscaped area featuring pedestrian paths, water features, pavilions, gardens and artwork displays. The development will also include a transit system, allowing for easy tenant access to the nearby Crystal City Metro.

Herb Mansinne, Bob VeShancey, Mike Ellis and David Bevirt of Jones Lang LaSalle currently handle office leasing for the project. Guy Silverman of Streetsense handles retail leasing.

**About The Meridian Group**

The Meridian Group has acquired 6.1 million square feet of office and industrial space, a Hyatt Regency Hotel, and 500 acres of development land-totaling over \$2 billion in value-since 1993. The properties have been located in the metropolitan Washington, DC and Baltimore, MD, markets as well as Charlotte, NC, and West Palm Beach, FL. Meridian's development activity includes Bethesda Metro Center, a landmark 750,000 square foot mixed-use project which includes the Bethesda Hyatt Regency Hotel, above the Bethesda Metro Station, and One Loudoun, a 7 million square foot mixed-use project to be developed in a joint venture with Miller and Smith.

**About Jones Lang LaSalle**

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