



American Real Estate Partners

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## **AMERICAN REAL ESTATE PARTNERS (AREP) ACQUIRES 1660 INTERNATIONAL DRIVE**

*Acquisition Marks the Eighth Transaction of Fund II*

**TYSONS CORNER, VA** – American Real Estate Partners (AREP) announced today the acquisition of 1660 International Drive, an 8-story, 212,731 SF class-A office building located in the heart of Tysons Corner in close proximity to The Boro, the largest, mixed-use development project in Tysons Corner and one of the biggest in the greater DC metropolitan region. With recognition of Tysons as a live-work-play community on the rise, the area has witnessed a strong resurgence of office rents and occupancy levels since vacancy peaked in Q4 2014. The asset has been institutionally owned since it was built in 1999 and was acquired by an affiliate of AREP's Strategic Office Fund II LP, a fully discretionary vehicle, in joint venture with an institutional partner.

“The acquisition of 1660 International Drive not only expanded our Tyson’s footprint but, also, presented an opportunity to purchase a renovated class-A asset with a clear path to achieve top of market performance,” said **Brian Katz, President and Co-founder, AREP**. “Tysons and, more particularly, the immediate area surrounding 1660 International has steadily experienced significant rent growth bolstered primarily by complementary development projects which act as demand catalysts and drivers of an ideal live-work-play community. Given these favorable dynamics, this transaction offered a unique opportunity to leverage upward market momentum and deliver outsized returns.”

1660 International Drive is optimally positioned to provide easy access to over 1.3M SF of neighboring amenities and premium retail located at The Boro and Tysons Galleria mall. Even though the full complement of Boro retail amenities have yet to deliver, office rents in the proximate area have steadily increased due to growing market demand and desirable location attributes.

“While the project is currently 98.5% leased, planned vacancy of the top two floors in late 2020 enable us to leverage the shortage of large competitive blocks to capture top of market demand, especially as the additional area amenities come online,” said **Paul Schulman, Principal and COO, AREP**.

The property provides excellent access to major thoroughfares including I-495, Dulles Toll Road and Routes 7/123, the primary arteries in Northern Virginia as well as the Silver Line’s Greensboro Metro station offering direct access to downtown Washington, DC, and soon Dulles airport. With tenants seeking close proximity to Metro, the completion of the Silver Line station has helped shift the perception of Tysons from a suburban office market to a vibrant, interconnected urban center

“We’re raising the visibility and profile of the property,” added Schulman. “For us it’s about putting our customer experience front and center. Our plans capitalize on the recent addition of an 8,000 SF amenity suite completed under the prior ownership, which creates the initial platform to elevate the customer experience for those that work there.”



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AREP's plans for the property include contemporary design upgrades to the main lobby and common areas, with amenity programming to activate conference facilities, collaborative spaces, outdoor lounge areas and other experiential environments. The purchase of 1660 International marks the eighth transaction of AREP's Strategic Office Fund II which, to date, has acquired over \$900M of assets across its targeted geographies.

Simultaneous to its acquisition of 1660 International, AREP also divested of its interest in CityView, a premier, ground up trophy office project in Tysons. "Monetizing the Company's interest in the CityView project was the culmination of a very strategic investment for AREP." added Katz. "We continue to see growth of rents in the Tysons Corner office market and as more tenants are attracted to the market, we will continue to make other strategic investments in that market."

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#### **About American Real Estate Partners**

Headquartered in the greater Washington metropolitan area, American Real Estate Partners (AREP) is an institutional fund manager and operating partner focused on office and mixed-use repositioning and development throughout the Greater Mid-Atlantic Region. Since its founding in 2003, the Company has deployed over \$3.6B across targeted geographies and acquired more than 16M SQFT of class-A real estate. AREP strives to bring a sense of place to each asset, making its properties more distinctive and desirable which, in turn, creates enhanced returns for its investors. For more information, please visit [americanrepartners.com](http://americanrepartners.com).