

Tiny Northrop Grumman-Occupied Building Sells for \$15M

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Washington, DC ? Recently established real estate concern Meritage Properties has joined with developer Buchanan Partners in the acquisition of the nearly 60,000-sf office structure at 475 School St. from a Cambridge Asset Management affiliate. Meritage properties spokesperson tells GlobeSt.com that the transaction was valued at \$14.5 million. Beginning next year, Buchanan will take on management duties at the property.

Advantis/GVA Realty stood in for Meritage in the deal, while Cambridge Property Group represented the seller.

Situated in the District's Capitol Hill/Southwest submarket, 475 School St. was developed in 1967 and underwent a major renovation just seven years ago. It is occupied in its entirety by Northrop Grumman under a lease that is not scheduled to expire until mid-2010. ?475 School St. represents a well-located, pristine asset with a strong long-term tenancy in one of our core markets,? Meritage's Andrew Nathan says. ?With no major renovation required, it presents the perfect balance to our repositioning activities at (our first acquisition) 1411 K St.? District Records list the five-story building's 2004 assessed value at \$11 million. The seller acquired the property in 1999 for just over \$10 million.