



WASHINGTON DC

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## JV Acquires 999 E Street, NW, Plans Redevelopment

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A joint venture led by **Princeton Holdings** and the **Bluestone Group**, two commercial real estate investment firms based in Manhattan, has acquired **999 E Street NW** as

part of a four-property, 850,000-square-foot portfolio acquisition.

The four office buildings, which are primarily leased to the General Services Administration (GSA), are spread out across the United States. Government agencies represent more than 90 percent of the portfolio's total rental income.

Princeton and Bluestone acquired the four assets from an Urban American partnership that elected to liquidate its remaining assets.

The Washington, DC property consists of 175,000 square feet of commercial space located within the East End submarket near Capitol Hill and the Verizon Center sports and entertainment complex.

The Washington, DC asset is a prime candidate for redevelopment. Its development appeal is enhanced by its location at the intersection of 10th and E Streets, directly across E Street from the existing FBI headquarters which will become one of the largest and most significant redevelopment sites in the District of Columbia. The office component of the E Street property also has a major lease expiration approaching in 2017 and could be delivered vacant for redevelopment.

As a result, the Princeton Holdings/Bluestone joint venture may consider a sale or other recapitalization of this asset.

The balance of the properties within this portfolio includes: 1433 West Loop South, a 138,000 square foot office building in Houston; 8808-8810 Rio San Diego Drive, a two-building office complex in San Diego and the 358,407-square-foot office building at 1325 J Street in downtown Sacramento.

These properties in Houston, Sacramento and San Diego are leased on a long term basis.

"This transaction truly embodies what Princeton does best: rationalizing complex transactions to produce value for our partners and investors," said Joseph Tabak, Chairman of Princeton Holdings, which is currently developing a four and a half block site in Brooklyn. With this latest deal, Princeton is now fully in the early stages of a major national growth phase.

"These locations are also very attractive to non-government tenants and that provides additional upside for us and our partners since private sector tenants will likely pay higher rents when these government leases expire," said **Eli Tabak**, the co-founder of the Bluestone Group.

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