

September 16, 2019

Equus Acquires King Street Station III in Alexandria, Virginia



Equus Capital Partners, Ltd. (“Equus”), one of the nation’s leading private equity real estate fund managers, announced today that an affiliate completed the acquisition of 1725 Duke Street, also known as King Street Station III, a 156,904 class A office building in Alexandria, Virginia. The acquisition was made on behalf of Equus Investment Partnership XI, L.P. (“Fund XI”), a fully discretionary value-add equity fund managed by Equus.

1725 Duke Street is conveniently located adjacent to the King Street Metro Station, which is served by the Washington Metro Blue and Yellow lines, Virginia Railway Express and Amtrak. The property is also walkable to the U.S. Patent and Trademark Office’s headquarters and to a broad amenity base in Alexandria which includes a wide range of restaurants, hotels and retail. In addition to the USPTO, the submarket’s occupancy is further supported by the presence of the National Science Foundation and the United States District

Court. Given Alexandria’s metro connectivity, rich amenity base, and stable demand drivers, the submarket’s vacancy rate continues to be among the lowest in Northern Virginia.

1725 Duke Street was built in 1989 as part of the King Street Station Development, which includes three neighboring office buildings and an Embassy Suites Hotel. The seven-story building is a steel reinforced concrete slab and column structure with a brick façade and is connected to an 1,186 car, below grade parking deck that is shared amongst the other properties in the King Street Station Development. The building’s prominence on Duke Street, classic architecture and walkable amenity base have proven to be attractive qualities to tenants and investors over time.

“This transaction afforded us the opportunity to acquire one of Alexandria’s most prominent assets at a meaningful discount to replacement cost. With our capital improvement plans

and added amenities on site, we believe the property will be well positioned to capture future demand,” commented Tim Feron, Acquisitions Manager for Equus, who, along with Keith Knight, Vice President of Asset Management, and Ryan Klancic, Analyst, oversaw the acquisition for the firm.

A team lead by Bill Prutting of JLL oversaw the transaction for the seller.

Equus has selected David Goldstein, Yorke Allen, and Brent Mathis of JLL to be the leasing agents for the property.

About Equus Capital Partners, Ltd.

Equus Capital Partners is one of the nation’s leading private equity real estate fund managers. Equus’ diversified portfolio consists of office, multi-family, industrial, and retail properties located throughout the United States. The firm is headquartered in the Philadelphia area with regional offices in Chicago, Los Angeles, Washington D.C., Atlanta, and Raleigh-Durham. For additional information, please visit the company’s website at www.equuspartners.com.

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