



## Two Multi-Family Buildings Move in D.C.

By Nicholas Ziegler  
December 14, 2011

In two separate transactions in as many days, two large apartment buildings have changed hands in the D.C. area. The first, the sale of Montpelier Crossing to Federal Capital Partners, moved the 358,690-square-foot apartment-and-townhome complex off the books of New Boston Fund Inc. The property sits on 17.53 acres of land in Laurel, Md., halfway between D.C. and Baltimore.

New Boston had acquired the property in November 2005 as an investment opportunity for its New Boston Fund VI vehicle. The apartment complex features 386 units across 13 buildings, and is 93 percent occupied. Purchase terms were not disclosed.

And in the second move, a joint venture between Rockwood Capital and ROSS Development & Investment sold the 122-unit luxury high-rise The Chase at Bethesda Metro to Equity Residential. Mid-Atlantic Multifamily Group, a member of Transwestern's family of companies, represented Equity in the transaction.

The building, constructed in 1989 and seeing substantial renovations in 2009, is located in downtown Bethesda, Md., one block from the area's Metro station. According to Transwestern, the property has commanded the highest rent per square foot in the Bethesda submarket.

According to Marcus & Millichap Real Estate Services Inc., the D.C. area will continue to see solid rental-housing demand, noting that "local employers are no longer cutting jobs as they did during the recession and many have resumed hiring in sufficient numbers to ignite greater household creation." Vacancy rate in the multi-family sector has dropped below 5 percent.

Additionally, research firm Delta Associates noted that the D.C. metro area continues to be one of the best-performing apartment markets in the country. Rent growth for Class A mid- and high-rise apartments in Montgomery County, Md., was 5.2 percent for the 12-month period ending September 2011.