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\$118 million sale of trophy residential tower in Arlington, Virginia completed by HFF WASHINGTON, D.C. – The Washington, D.C. office of HFF (Holliday Fenoglio Fowler, L.P.) announced today that it has closed the sale of The Palatine, a 262-unit, Class A high-rise multi-housing community in Arlington, Virginia.

The HFF investment sales team was led by managing director Dave Nachison and director Alan Davis. HFF was engaged by the lenders to market the property for sale during the pendency of the foreclosure process in the expectation that the price for the property would be maximized through a foreclosure auction. Crescent Heights of America was the successful bidder at the foreclosure auction and purchased the property for \$118 million.

Completed in 2008, The Palatine includes a mix of one-, two- and three-bedroom units that average 1,055 square feet each and feature condominium quality finishes and spectacular D.C. and monument views. Building amenities include a rooftop pool with sundeck, fitness center, Zen garden, 24-hour business center, bicycle storage and controlled access garage parking. The Palatine is located at 1301 North Troy Street in the Rosslyn-Ballston corridor of Arlington, Virginia two blocks from the Courthouse Metrorail station and minutes from downtown Washington, D.C.

“The Palatine was 95% occupied at closing in what is quickly becoming one of the tightest apartment submarkets in the entire metro D.C. area. All recently delivered apartment supply has been quickly absorbed and leasing concessions are rapidly being reduced by landlords in the area,” said Nachison.

"Despite being held in the middle of a blizzard among bidders that were required to bring \$9 million in certified funds to be qualified to bid, the open auction-style offering of the Palatine garnered a very strong response from institutional, off-shore and private equity investors. The success of this offering illustrates the depth of capital aggressively seeking trophy quality multi-housing product locally and nationally," added Nachison.

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"Washington, D.C. remains the #1 target for multi-housing investments with investors recognizing the nation leading fundamentals and the excellent prospects for near-term job growth," commented Davis.

Crescent Heights of America is one of the nation's largest developers and marketers of high-rise, multifamily housing and hotels. The company's premier properties stretch from New York to Los Angeles, from Miami to Chicago, and points in between. Crescent Heights prides itself at uncovering real estate trends, and knowing when and how to develop projects – from residential and hotel construction to redevelopment and adaptive re-use.

HFF (NYSE: HF) operates out of 17 offices nationwide and is a leading provider of commercial real estate and capital markets services to the U.S. commercial real estate industry. HFF offers clients a fully integrated national capital markets platform including debt placement, investment sales, advisory services, structured finance, private equity, loan sales and commercial loan servicing. www.hfflp.com.

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