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AREA Property Partners and Commonwealth to build 500,000 s/f Boston office

July 05, 2012 - Owners Developers & Managers

Boston MA AREA Property Partners and Commonwealth Ventures are proceeding with development of One Channel Center, an 11-story, 500,000 s/f, class A office property, following a recent vote by the Boston Redevelopment Authority (BRA) approving the project. One Channel Center is 100% pre-leased to State Street Corp., a leading financial services company and one of the city's most sought-after office tenants, which has agreed to occupy One Channel Center for 15 years. The property will be built on the last remaining development site in the Channel Center project, in close proximity to the Seaport and within the city's Innovation District.

Andy Hoar of CB Richard Ellis - N.E. Partners, LP arranged the transaction. Colliers International represented State Street in relation to the lease.

"We believe that One Channel Center is the right project, in the right place, at the right time," said Lee Neibart, global CEO of AREA. "Mayor Menino's vision for the Innovation District is truly coming into focus, and AREA is excited to contribute to the ongoing transformation of this neighborhood. All the ingredients for a successful project are in place at One Channel Center - in Commonwealth Ventures, we have an outstanding development partner, and in State Street, we have one of Boston's greatest financial institutions. Their strong credit and long-term lease commitment help make this an unmatched opportunity to build core office product in a leading market."

"One Channel Center will be a splendid Innovation District office property in keeping with both the Mayor's plans for the future of our city and State Street's identity as Boston's foremost financial firm," said Richard Galvin, president and founder of Commonwealth Ventures. "Now we've assembled all of the key government approvals, development expertise, and capital to bring this project to successful completion, and look forward to breaking ground."

AREA's investment in One Channel Center is being made through its current U.S. opportunity fund. The deal was sourced through AREA's previous role in another Channel Center project. "Our partnership with Commonwealth Ventures on One Channel Center exemplifies AREA's ability to directly source premier investment opportunities," Neibart said. "We already have significant familiarity with this sub-market, and with Commonwealth as sponsor. This project-specific knowledge further increases our confidence in the new office development."

In addition to office space, One Channel Center incorporates a 980-space parking garage. State Street will occupy a significant portion of the garage, and the balance will be available to Channel Center visitors and the public.

About AREA Property Partners

AREA Property Partners, formerly known as Apollo Real Estate Advisors, is a leading international real estate investor and fund manager on behalf of prominent government and corporate pension

funds, sovereign wealth funds, insurance companies, foundations, endowments, and high net worth individuals. Since the firm's founding in 1993, AREA Property Partners has overseen the establishment of multiple real estate funds and joint ventures totaling \$13 billion in equity commitments for investments in the United States, Europe and Asia. Its funds have collectively invested in over 570 transactions with an aggregated value in excess of \$65 billion. Headquartered in New York, the firm has offices in Atlanta, Los Angeles, San Francisco, London, Paris, Luxembourg and Mumbai. AREA's funds target a broad range of opportunistic, value-added and debt investments in real estate assets and portfolios throughout North America, Europe, and India. For more information, visit the firm's website at www.areapropertypartners.com.

About Commonwealth Ventures, LLC

Commonwealth Ventures, LLC is a Connecticut-based commercial real estate company focusing on development and investment opportunities throughout New England. Founded in 2003, Commonwealth was formed to identify, develop, and manage commercial real estate projects that provide superior risk-adjusted returns. Our partners are large, institutional investors with broad-based experience in the development, redevelopment and acquisition of commercial real estate.

About CB Richard Ellis - N.E. Partners, LP

CB Richard Ellis - N.E. Partners, LP, a joint venture with CBRE Group, Inc. has offices in Massachusetts, Connecticut, Rhode Island, Maine and New Hampshire. Please visit our website at www.cbre-ne.com. CBRE Group, Inc. (NYSE:CBG), a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world's largest commercial real estate services firm (in terms of 2011 revenue). The company has approximately 34,000 employees (excluding affiliates), and serves real estate owners, investors and occupiers through more than 300 offices (excluding affiliates) worldwide. CBRE offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting.

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