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Quantico buildings sold by Silver

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The two office buildings at the Quantico Corporate Center in North Stafford sold yesterday to the Washington Real Estate Investment Trust for \$68 million.

The office park is off U.S. 1 near Quantico Marine Corps Base, and is easily visible from Interstate 95. The two 140,000-square-foot buildings are fully leased by defense contractors including BAE Systems, General Dynamics, MTCSC and MITRE. The firms have been attracted to the proximity to Quantico's south gate and the new 719,000-square-foot building on Telegraph Road that will house five new military investigative agencies starting next year.

The Silver Cos., which is developing the office park, considers the sale of the two buildings and land associated with them a major step forward in the development of the QCC.

Silver still owns about 60 acres at the QCC, and hopes to develop a corporate park that eventually includes a dozen office buildings, a hotel and additional retail offerings. Development of the third 140,000-square-foot, four-story office building is expected to start soon.

Though yesterday's deal included only the first two buildings, the goal is an ongoing partnership in which the Washington REIT purchases QCC properties as they're developed and leased, said Phillip Baxter, a Silver vice president who has been handling QCC leasing along with David Newman.

Baxter said that implicit backing will help Silver get financing for new construction projects at the QCC.

"We really needed a sophisticated, well-funded partner," Baxter said. "It was a great fit."

Cassidy Turley, a commercial real estate firm, represented the Washington REIT in the transaction.

The Washington REIT, which is based in Rockville, Md., is publicly traded and was founded 50 years ago. It focuses exclusively on commercial real estate in Washington and the Virginia and Maryland suburbs. The Quantico Corporate Center is now the company's southernmost property.

The Washington REIT said in a news release that it expects future demand at the QCC will come from "both the existing Marine Corps operations as well as new demand generated by the 719,000 square foot Military Department Investigative Agencies [MDIA] facility."

"We are excited about future potential opportunities to participate in the development and/or ownership of

other properties at Quantico Corporate Center," said George "Skip" McKenzie, president and CEO of the REIT, in a statement.

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