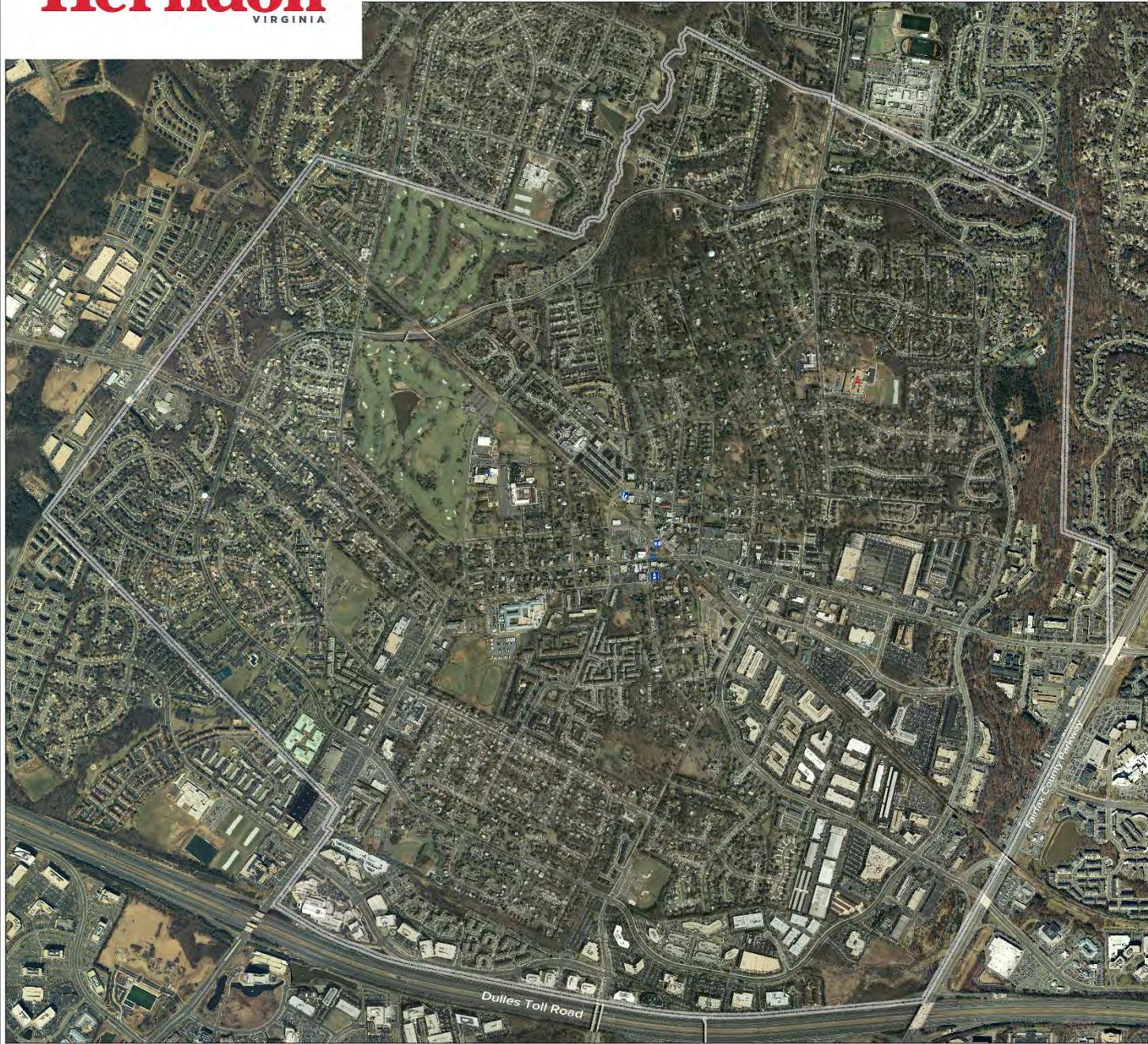


NAIOP Northern Virginia:

**Game On
in Herndon**

April 6, 2017



----- Town Boundary

1 inch = 500 feet
Feet
350 175 0 350 700



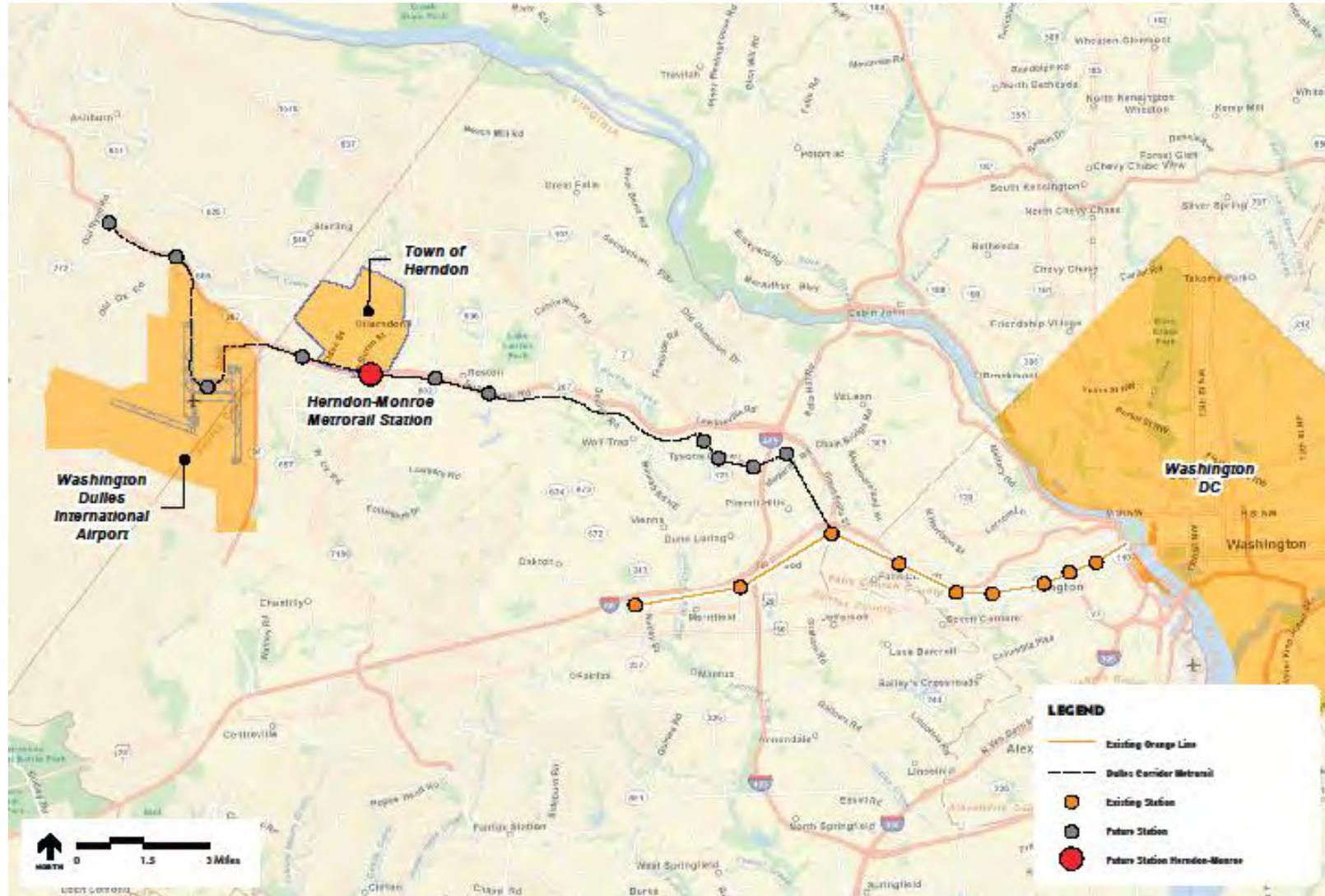




G A M E **On**
I N H E R N D O N

April 6, 2017

Herndon in the DC Metro Area



Herndon Downtown Redevelopment Site

- Town closed on Ashwell site in September, 2015
- 4.675 acre town-owned redevelopment site, fully entitled
- Planned and Zoned for mixed use development with multi-family, retail/restaurant, office use
- Public and private parking within future shared garage
- Arts Center

Downtown Redevelopment Site



Comstock Proposal



Comstock Development Proposal

- 281 Apartment units
- 17,600 sf Retail
- 18,000 sf Arts Center
- 761 space parking garage, 1 ½ levels below grade
- 3 Public Plazas and a Paseo
- Arts Walk

New Fairfax County Fire Station on Spring Street



Junction Square, by Tradition Homes located at corner of Elden & Monroe



Hilton Garden Inn/ Home 2 Suites



REAR ELEVATION



SIDE ELEVATION

MATERIAL KEY

- | | |
|---|------------------------|
|  | SPLIT FACE CMU |
|  | RED BRICK |
|  | TAN BRICK |
|  | NICHIHA FIBER CEMENT 1 |
|  | NICHIHA FIBER CEMENT 2 |
|  | NICHIHA FIBER CEMENT 3 |
|  | NICHIHA FIBER CEMENT 4 |
|  | PAINTED GLASS |
|  | SYNTHETIC STUCCO |

Herndon Metro Station

- Herndon Metro Station Area Plan approved in February 2012
- HTOC Plan calls for smart, transit oriented development at the site of future metro stop



Herndon Transit-Oriented Core (HTOC) Today



Future Herndon Transit-Oriented Core



Herndon Station Today



Herndon Station Completed

Herndon Station Completion 2017



Stanley Martin Homes



October 1, 2015

 **STANLEY MARTIN HOMES**
Your Life is Our Blueprint

CORPORATE OAKS
SITE PLAN

 **TIG**
the eisen group

Stanley Martin Homes



BUILDING 1



KEY PLAN



BUILDING 1 - BACK



BUILDING 1 - SIDE 1

October 1, 2015



CORPORATE OAKS

2 OVER 2s



Town Brand

- It's "ON" !
- Developed for businesses to use as well – how can we help you turn it ON for your business in Herndon?





STREAM

John Klinke, VP

ABOUT STREAM

Stream Realty Partners, L.P. (Stream) is a national, commercial real estate firm with locations across the country. Stream's full-service offering covers the broad spectrum of leasing, management, development, construction, and investment sales services across the commercial and multifamily industry. In addition, Stream specializes in sourcing acquisition and development opportunities for the firm and its clients. Since its formation in 1996, Stream has grown from its two original partners to a staff of over 750 real estate professionals nationwide with regional offices in Atlanta; Austin; Charlotte; Chicago; Dallas; Denver; Fort Worth; Houston; Southern California; San Antonio; and Washington, DC. Stream currently has more than 150 million square feet of assignments across the nation; completes over \$2.4 billion in real estate transactions annually; and is considered one of the most active investors and developers in the real estate industry.

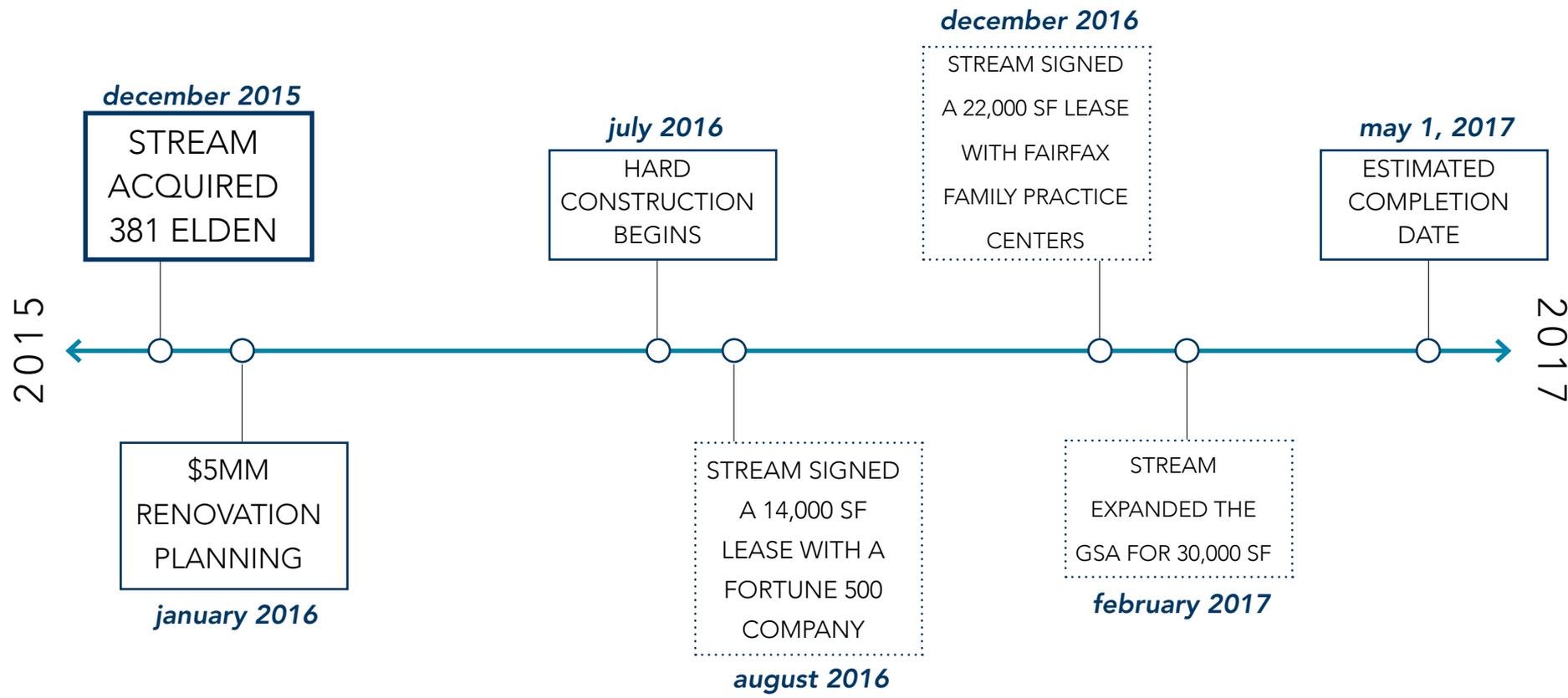




DOMINION POINT

381 Elden Street
Herndon, VA

INVESTMENT TIMELINE



december 2015

STREAM
ACQUIRED
381 ELDEN

○

○

○

○

○

○

○

\$5MM
RENOVATION
PLANNING

january 2016

July 2016
HARD
CONSTRUCTION
BEGINS

STREAM SIGNED
A 14,000 SF
LEASE WITH A
FORTUNE 500
COMPANY

august 2016

december 2016
STREAM SIGNED
A 22,000 SF LEASE
WITH FAIRFAX
FAMILY PRACTICE
CENTERS

STREAM
EXPANDED THE
GSA FOR 30,000 SF

february 2017

may 1, 2017
ESTIMATED
COMPLETION
DATE

2015

2017

PARKWAY ATRIUM



RENOVATION TEAM

- **CONSTRUCTION MANAGEMENT:** Stream Realty Partners
- **ARCHITECT:** Hickok Cole Architects
- **GENERAL CONTRACTOR:** Hoar Construction



RENOVATION SCOPE

- Add a **60-person conference center** with two 70" monitors for AV
- Add a **fitness facility** with locker rooms, showers, and yoga room
- **Upgrade** North and South lobbies, common areas, elevators, and restroom rooms
- **Construct new facades** for both entrances
- **Activate the atrium** space with a café-style seating, coffee bar, collaboration areas, and boutique meeting rooms
- **New Signage** – Top of Building, Monuments and wayfinding

ATRIUM



CONFERENCE CENTER



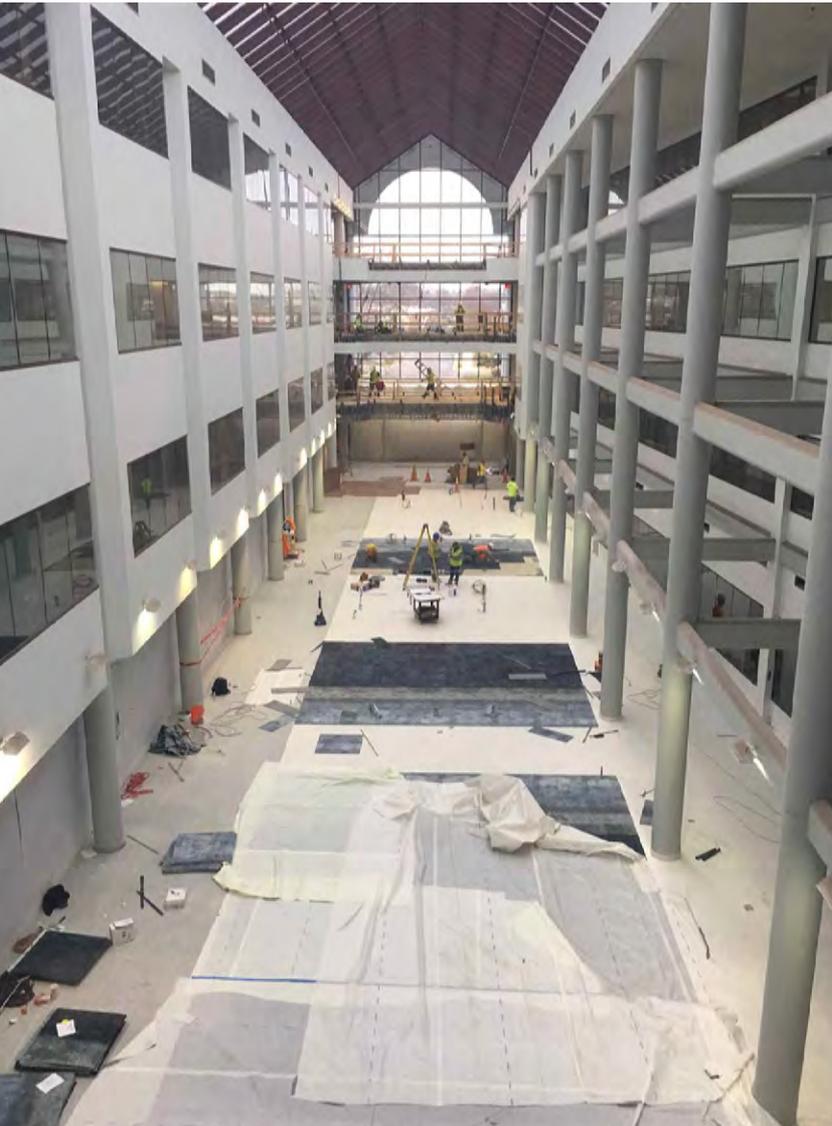
SOUTH LOBBY



SOUTH ENTRANCE



CONSTRUCTION PROGRESS - ATRIUM



CONSTRUCTION PROGRESS - CONFERENCE



CONSTRUCTION PROGRESS - FITNESS FACILITY





The business of relationships.™

Town of Herndon Development Trends

Past Meets Future

Herndon's Development Activity

- Herndon Transit-Oriented Core (“HTOC”) – Stanley Martin
- Downtown Redevelopment – Comstock, Tradition
- Infill Single Lot Development – Evergreene, Doll, Mitchell
- Building Repositioning and Conversions – Stream

Herndon Transit Oriented Core



Herndon Transit-Oriented Core

- 38 Acres
- Rezoned to new “PD-TOC” zoning category
- 0.7 FAR by-right
- 4.3 FAR with Development Plan
- Herndon Promenade and Streetscapes – promotes urbanism
- Flexibility of uses
- Encourages unique transit-scale development
- Multiple properties have sold or are for sale

Herndon Metro Promenade

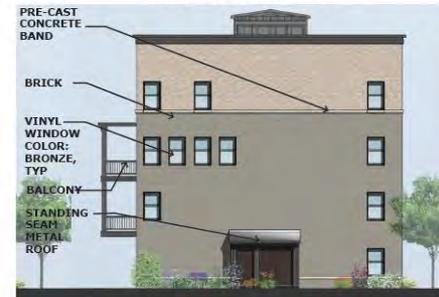
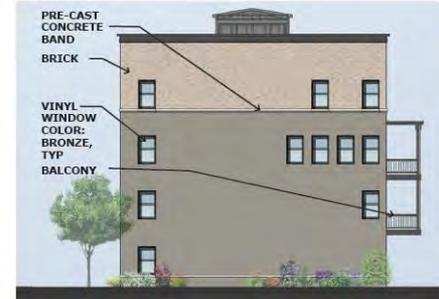


Stanley Martin Homes – Metro Square





KEY PLAN



DEC. 2016

Downtown Master Plan



Evergreene Homes – Vinehaven



Vinehaven.

HISTORIC HERNDON, VIRGINIA 20170

Site Plan



Illustrations are conceptual and all dimensions are approximate. See Sales Representative for details. This rendering is for illustrative purposes only and is not part of a legal contract.



703.667.7878
 Sales@EvergreeneHomes.com
 MyEvergreeneHome.com

3-27-2017
 SHM

Evergreene Homes – Vinehaven



Tradition Homes – Junction Square



Tradition Homes – Junction Square



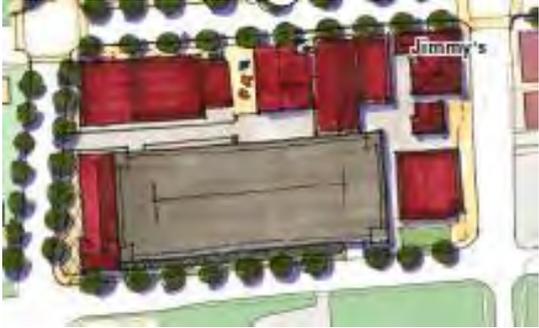
Comstock – Town Owned Property



Future Opportunity – Pines Shopping Center



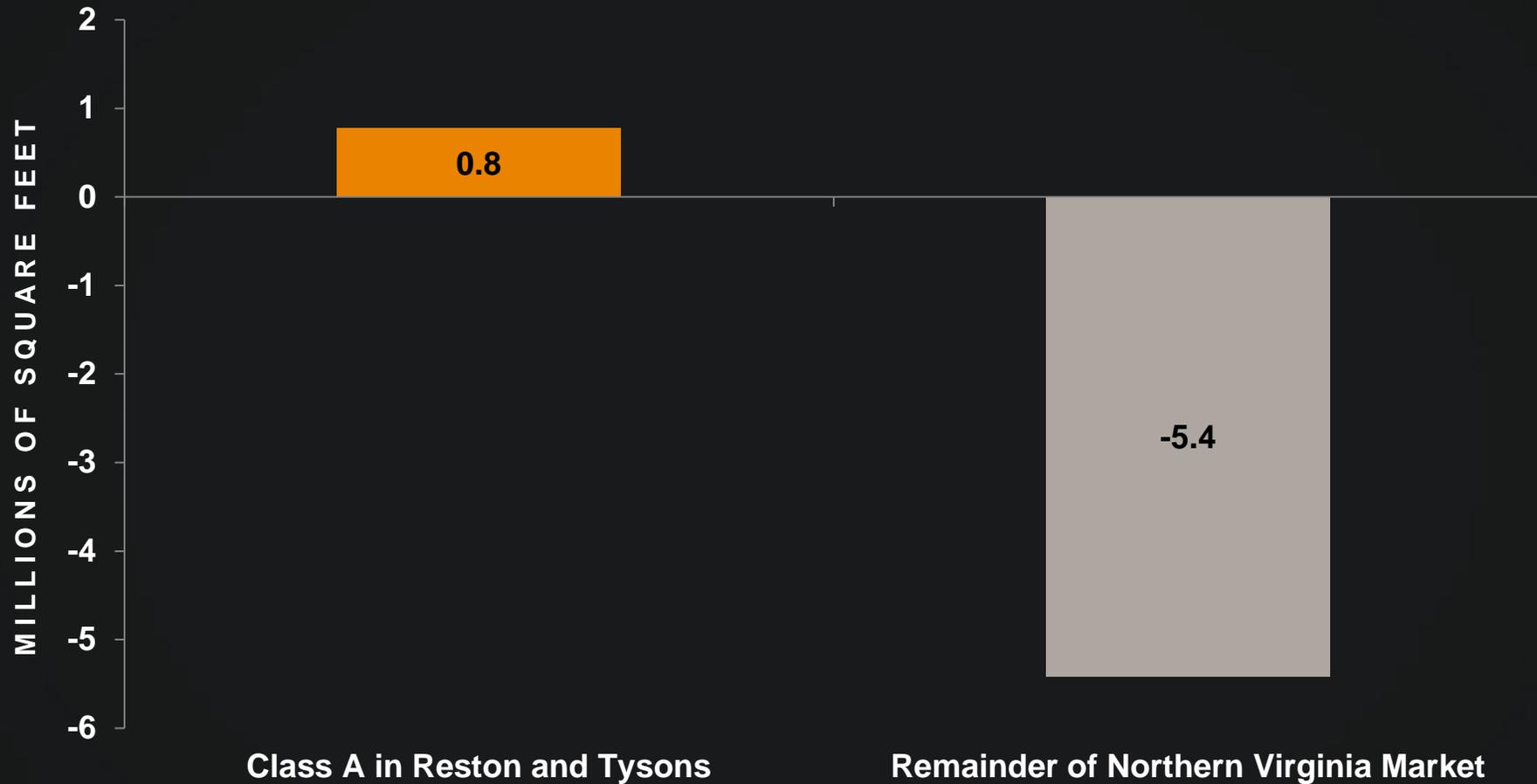
Future Opportunity – Horn Motors Property



SILVER LINE CLASS A OUTPERFORMS BROADER MARKET

TOTAL NET ABSORPTION OF OFFICE SPACE

NORTHERN VIRGINIA | 2011 - 2016



Source: NGKF Research; February 2017

Sample Set: Silver Line Wiehle

Vacancy Rate	19.85%	26.15%
	2013	2014
	Q4 & Q3	Q 1 & Q2



27.10%	22.80%	21.15%	15.90%	16.50%
2014	2015	2015	2016	2016
Q3 & Q4	Q1 & Q2	Q3 & Q4	Q1 & Q2	Q3 & Q4

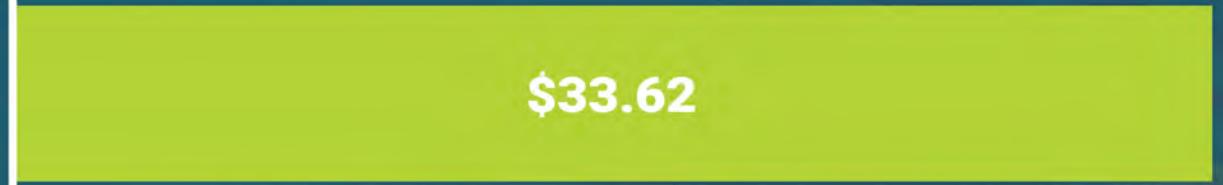
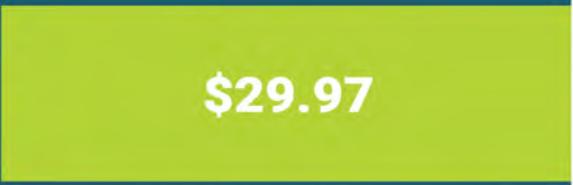
**TOTAL
ABSORPTION**



**METRO
DELIVERED**



**AVERAGE
ASKING RATE**



Sample Set: Silver Line Phase 2

Vacancy Rate	23.70%	24.40%	19.50%	21.50%	19.70%
	2014	2015	2015	2016	2016
	Q3 & Q4	Q1 & Q2	Q3 & Q4	Q1 & Q2	Q3 & Q4

**TOTAL
ABSORPTION**

151,506

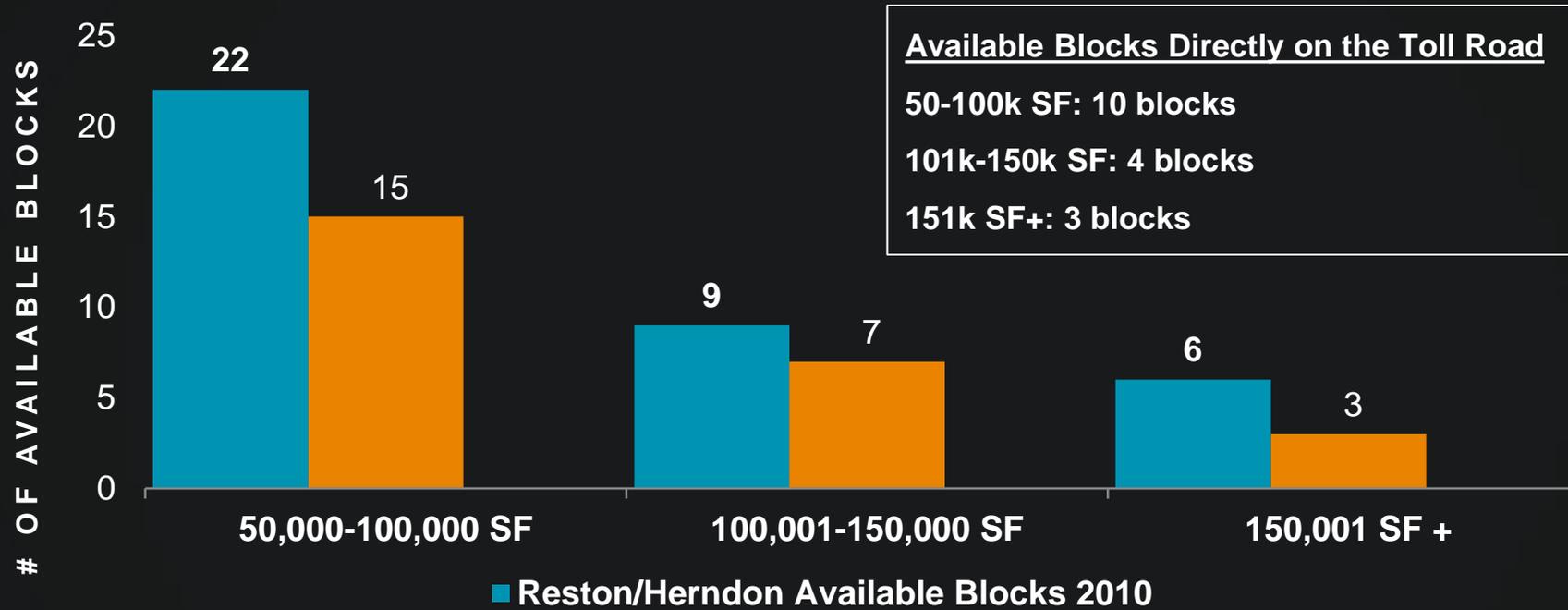
**AVERAGE
ASKING RATE**

\$30.27

\$32.29

DIMINISHING LARGE BLOCKS ON TOLL ROAD

Reston/Herndon Available Large Blocks of Class A Office Space: 2010 vs. Today

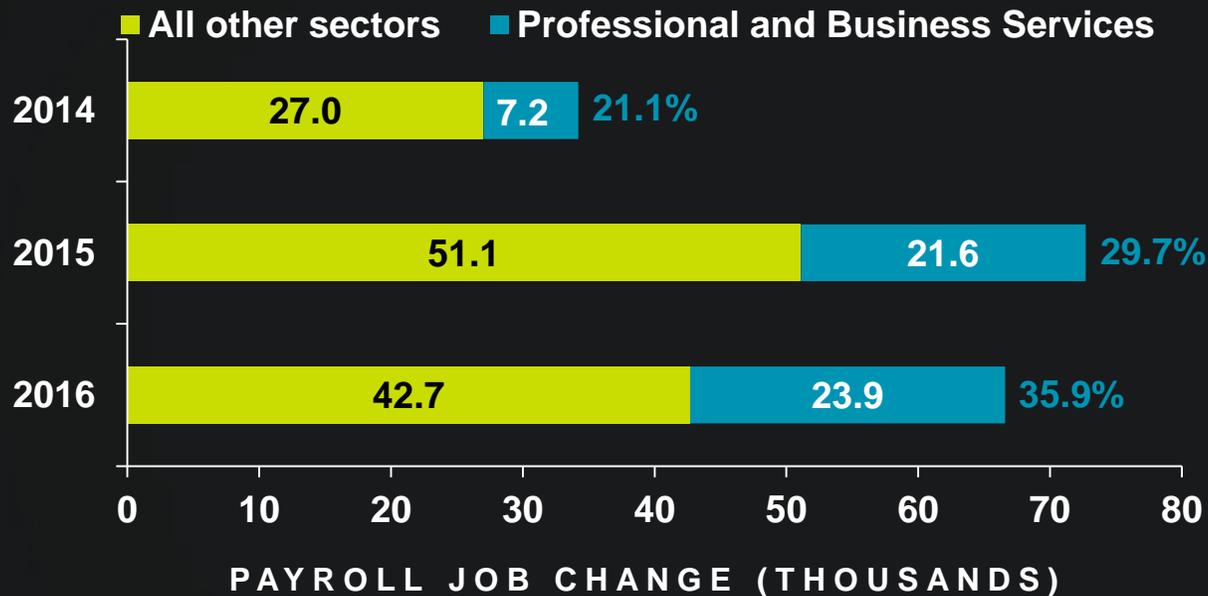


Source: NGKF Research; January 2017

PROFESSIONAL / BUSINESS SERVICES DRIVING JOB GROWTH

PAYROLL JOB CHANGE

WASHINGTON METRO AREA: 12 MONTHS ENDING DECEMBER 2014 VS. 2015 VS. 2016



Other Economic Factors:

- Professional/Business Services, Education/Health, and Leisure/Hospitality are the three fastest-growing sectors
- Professional/Business Services is the largest sector
- Overall job growth rate of 2.1% is above U.S. rate of 1.6%

Projected Overall Job Growth:

2017 = 1.8%

2018 = 1.4%

Source: U.S. Bureau of Labor Statistics, Dr. Stephen Fuller, NGKF Research; February 2017



Developing Great
PLACES

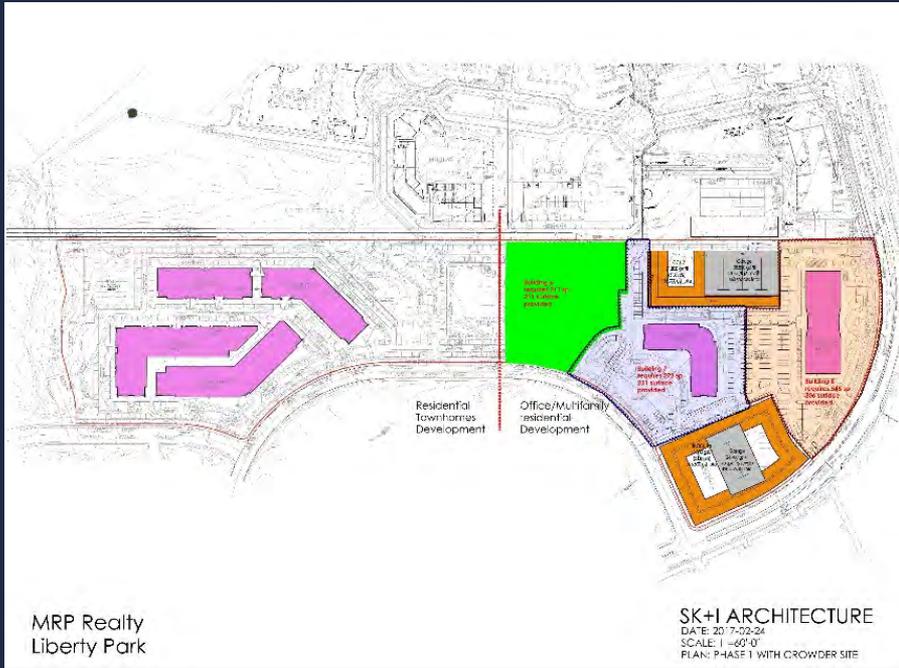


- 532,000 square feet in 8 buildings (73% leased at time of acquisition)





Liberty Park Master Plan

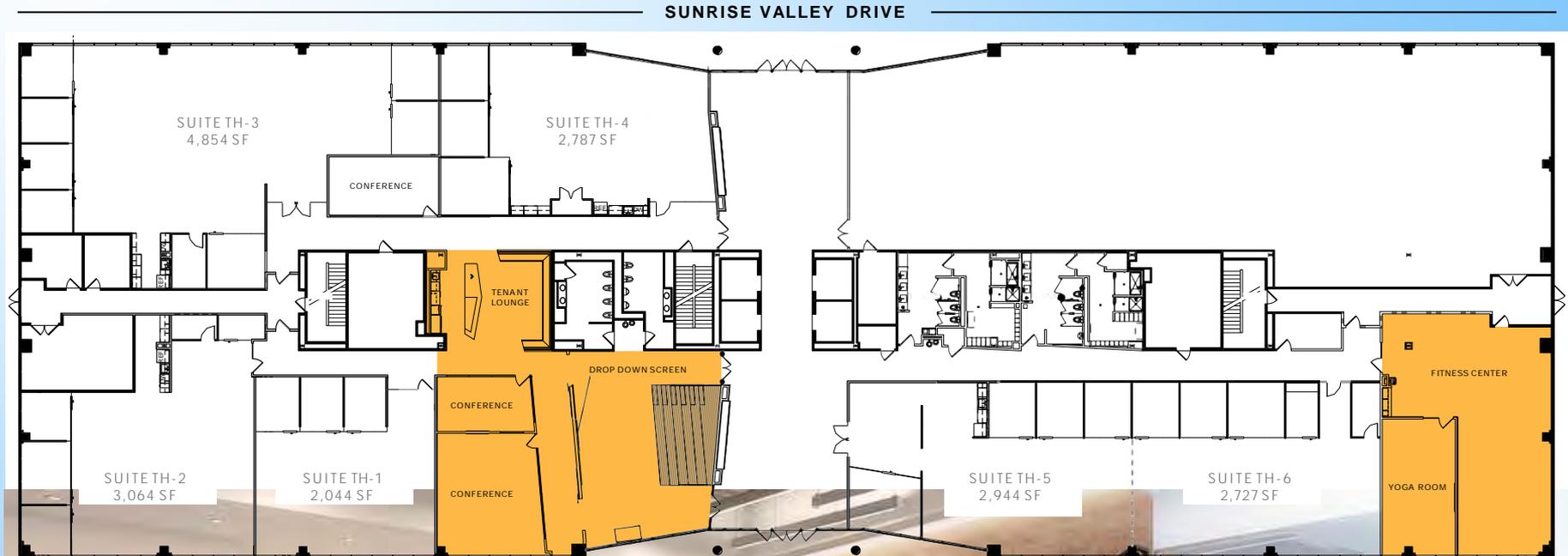


MRP – “Town Hall” Strategy – embrace the “Sharing Economy”

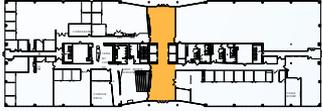
- Provide incredible, rarely seen before common elements for a “**COMMUNITY**” of tenants in a specific area of a building. Create a neighborhood within a building.
 - Meeting space, kitchen/pantry, lounge areas, gaming spaces, etc.
- Give smaller tenants the opportunity to enjoy **OUTSIZED** functional space and amenities to utilize for its daily business operation.
 - Individual spaces can be as small as 800 square feet and as large as necessary, but not too big that a single tenant dominates the neighborhood.
- Reduce the **FRICTION** involved in the process of leasing office space.
 - No time consuming decisions - when fully built out, the space configuration will be what it is, the spaces either work or don't work for the various prospects (allowing for individuality in furnishing and finishes).
- Enhanced **FLEXIBILITY**
 - A company will have the ability to grow or contract within the neighborhood.
 - Shorter term commitments will be available at a premium to allow for tenants that have less visibility on the future.

INTRODUCING THE TOWN HALL AT LIBERTY PARK

First Floor



LOBBY RENOVATIONS



INTRODUCING THE TOWN HALL AT LIBERTY PARK



INTRODUCING THE TOWN HALL AT LIBERTY PARK



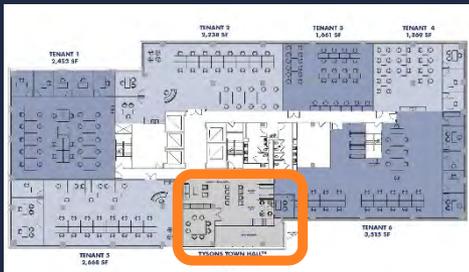
NEW TENANT LOUNGE



NEW CONFERENCE CENTER



Case Study - MRP – “Tysons Town Hall” at the Westwood Metro Center



NEW FITNESS CENTER



SHAMELESS PLUG

MRP
SPECIAL
PROJECTS
DIVISION

@mrp_spd

#followus

