

Release

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Connell Acquires Downtown Denver's LEED Gold-Certified Solera Apartments

Connell Real Estate & Development announced today that they have acquired Solera, a high-rise downtown apartment project from sellers Zocalo Community Development of Denver, CO and Principal Real Estate Investors. The building features 120 units and 5,200-square feet of retail space. Terms of the transaction were not disclosed. David Martin and Pamela Koster of Moran and Company represented the seller in the sale.

"We are confident that our asset management team's collective experience and our long term ownership strategy will benefit the residents of Solera," says Geoffrey Wolf, Chief Investment Officer of Connell Real Estate & Development. "The superior standards to which Solera was constructed and our commitment to operating best-in-class assets combined with our expectation that fundamentals will continue to improve in this premier market, make Solera a compelling investment opportunity."

Downtown Denver's first LEED Gold-certified apartment building, Solera, located at 20th and Lawrence Streets, received its Certificate of Occupancy in October 2010. The 11-story luxury apartment project features one- and two-bedroom units beautifully appointed with loft-style ceilings, large windows, open kitchen layouts, and incredible mountain and city views achieve among the highest rents in downtown Denver. The property is also one of only a few dozen LEED Gold-certified apartment projects in the country – "a big selling point for The Connell Company" added Moran and Company's David Martin.

"LEED Gold-certified buildings have favorable influence on residents' health, comfort, productivity and community. People want to live sustainably because it's simply smarter. As long term owners we see tangible value in a property that can deliver sustainable living to residents with all the high performance elements incorporated into Solera's design," says Jordan Minno of Connell.

Built to rigorous U.S. Green Building Council standards, Solera boasts earth-friendly finishes and amenities, including high-performance windows, Energy Star-rated appliances, high-efficiency lighting and occupant sensors, dual flush toilets and programmable thermostats. Each unit also comes with a Personal Energy Monitor, a real time power usage display that tracks day-to-day and monthly energy usage, allowing residents to make more informed decisions about their energy choices.

By living in a sustainable apartment, Solera residents save more than 50 percent on their energy bills compared to similar buildings, which may equate to \$700 worth of

savings each year for the average resident. Solera's walkable location adds to the savings, allowing residents to spend less on gas. According to the popular website Walkscore.com, Solera's proximity to shops, restaurants and entertainment make it a virtual "Walker's Paradise," with a score of 92 out of 100. For those who prefer biking, Solera offers a free bike parking space for every apartment as well a complete bike maintenance facility, the only one its kind in any downtown apartment building.

Solera's green features are a big lure for residents, with two-thirds of the building's residents citing sustainable attributes as the reason for leasing at the site.

Connell also developed, owns and operates 50 Connell Drive, a LEED Gold-certified, 187,000 square foot, Class A office facility that serves as the New Jersey corporate headquarters for L'Oreal USA. Located in Berkeley Heights, NJ, 50 Connell Drive was completed in 2009 and achieved LEED Gold-certification in August, 2010.

About Connell Real Estate & Development

Connell Real Estate & Development Company is a privately held, full service real estate company active in the acquisition, development, and management of commercial and residential real property. Driven by a tradition of success over the past four decades, the firm has developed and fully owns and manages over 1.5 million square feet of commercial class A property and is actively growing a residential apartment portfolio. CRE&D is a division of The Connell Company based in Berkeley Heights, NJ. For more information on Connell Real Estate & Development Company, please visit www.connellrealty.com.

About Zocalo Community Development

Zocalo Community Development is an award-winning, Denver-based development and construction services company focused on creating sustainable communities that deliver for investors and neighborhoods alike. Locally produced and contextually sensitive are descriptors of Zocalo's commitment to community development. Zocalo seeks to reduce the impact residential and mixed-use buildings have on the earth and the environment by substantially reducing greenhouse gases generated both by the building itself and by the means and patterns of resident commuting. Zocalo is ceaseless in its commitment to improving the design, sustainability, construction, development and marketing of its projects. The product of this complete integration is the development of real estate projects of greater enduring quality and sustainability. The word Zocalo dates back to the Aztec culture, meaning a community center or plaza common to towns and cities throughout Latin America. For more information visit www.zocalodevelopment.com

About Principal Real Estate Investors

Principal Real Estate Investors manages or subadvises \$37.3 billion in commercial real estate assets. The firm's real estate capabilities include both public and private equity and debt investment alternatives. Principal Real Estate Investors is the dedicated real estate group of Principal Global Investors, a diversified asset management organization and a member of the Principal Financial Group®.

About Moran and Company

Moran & Company is a Chicago-based brokerage firm specializing in the sale of institutional-quality multifamily properties. Moran & Company has marketed or sold over \$10 billion in properties for institutional clients nationally during the past decade. Moran has brokerage offices in Costa Mesa, Calif., (714) 444-3533; Dallas, TX (972) 387-2500; Chicago, Ill (312) 407-6700; Phoenix, AZ (602) 387-5275; Denver, Colo., (720) 932-8148; and the Washington D.C. area, (703) 442-4160. Their Web address is www.moranandco.com.

What is LEED?

LEED is the sustainability standard of the US Green Building Council (USGBC), a national non-profit organization of practitioners who continue to refine the definition of sustainable development. Buildings that are LEED-Certified are subject to the strictest sustainability standards in building construction, finish selection and performance. LEED focuses on five areas of sustainability: Sustainable of Site, Water Efficiency, Energy Efficiency, Materials and Resources, and Indoor Air Quality.