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\$800M MXD Adds Residential for Last Phase

By Erika Morphy



TYSONS CORNER, VA-Quadrangle Development Corp. and GM Asset Management have received approval to change the last phase of an ambitious \$800-million, two-million-sf development here, called Towers Crescent, into a residential component. Fairfax County approved the change some 30 days ago, allowing the developer to substitute some 300,000 sf of entitled office space for 900 residential units, which will likely be developed into three buildings.

Meanwhile, the duo, advised by AEW Capital Management, officially broke ground for the fourth office building in the project--8030 Towers Crescent Dr.--after three months of general construction activity. Development costs for this phase of the \$800-million project are about \$140 million.

8030 Towers Crescent Dr. will be a 13-story, 295,000-sf office designed to be LEED compatible, although the developers do not intend to seek LEED certification. When completed in fall 2009, it will join 8010 and 8020 Towers Crescent Dr., both of which were completed in 2002 delivering 300,000 sf of office space in this tight submarket. The first building in the project was 8000 Towers Crescent, a 17-story 450,000-sf office tower. All three offices are almost 100% occupied. Jones Lang LaSalle is the leasing agent for the office component.

With ground officially moved on 8030 Towers Crescent Dr. the Tyson's Corner submarket can look forward to a new office development in the submarket. The only other office building that has developed on spec is [Park Place II](#), now under construction by B.F. Saul Co., George Boteler, VP of leasing for Quadrangle Development tells GlobeSt.com.

"The market is so tight though, that we don't anticipate much competition for tenants," he says. Furthermore Towers Crescent will be delivering about a year later.

Meanwhile the firm is readying for the residential component, which has just been approved. Changing the project's mix is a reflection of the changing dynamics of Tysons Corner, Christopher Gladstone, president of Quadrangle Development says. "It is now much more of a lifestyle center--with residential and retail--than just office."