

# **Younan Properties Acquires Largest Office Building In Downtown Phoenix**

## **The 400,000 SF Building Will Undergo a \$5 Million Renovation Effort**

Phoenix, AZ/Woodland Hills, Calif. April 13, 2004 Younan Properties (YPI), one of the fastest growing privately held commercial real estate and hospitality investment firms in the U.S., has acquired Central Plaza a 400,000 SF, Class A office building from MetLife for \$21 million. The 20-story office building is located at 4041 N. Central St. in the central business district of downtown Phoenix, AZ and was 60% occupied at the time of sale. Built in 1982, the building's key tenants include: Mutual of Omaha, Qwest, Citibank, Ashton Tiffany and Federal Express.

Phoenix is one of the few markets that is oversold but is now well positioned for a major recovery, which is expected to start towards the end of 2004, early 2005, said Zaya Younan, chairman and CEO of Younan Properties. Our goal was to own the largest building in this market with a high vacancy rate in order to take advantage of the recovery when it occurs. We anticipate to stabilize this asset by mid-2006 when we reach 90% occupancy. The buyer, Younan Properties, represented itself. The seller, MetLife, was represented by Glenn Smigiel, of CB Richard Ellis.

Younan Properties' \$5 million renovation plan includes upgrading the entire building - both interior and exterior. According to Mr. Younan, there are only a few assets in the Phoenix market that can offer tenants with such a prime location Central Plaza is strategically located north of the CBD, only a few miles from Scottsdale, AZ.

I definitely would work with Zaya and his team again their responsiveness and ability to get things done in a timely matter are valuable assets, said Smigiel. From a brokers standpoint, it is extremely valuable to work with an investment firm that understands all the details of the transactional process and does not waste time in finalizing a deal. Because of YPI's expertise, this transaction moved through the process with no hitches.

Based in Woodland Hills, Calif., Younan Properties is an entrepreneurial commercial real estate and hospitality investment firm that specializes in acquiring, repositioning and managing office and hotel properties throughout the country.

Since the firm's founding in January 2002, Younan Properties has excelled in delivering exceptional returns to its investors by identifying under-performing assets and re-positioning the properties. In the last two years months, the firm has acquired more than 25 office buildings throughout the U.S. totaling more than 3.2 million square feet, and sold 12 buildings with more than one million square feet. In 2004, YPI launched the Younan Hotels Division and plans on acquiring at least eight hotel properties by the end of 2004 and a total of 20 hotel properties by the end of 2005.