

Younan Properties Negotiates Major Lease at Phoenix's Historical Office Tower

1960's Social Club Converted to Corporate Headquarters for DL Engineering & Controls

PHOENIX March 21, 2005 Younan Properties, Inc.(YPI), one of the fastest growing privately held commercial real estate investment firms in the U.S., took one look at the bare space on the 19th & 20th floors of the Meridian Bank Tower and immediately saw the opportunity to create an exquisite office space for the right tenant. This space was previously home to The Cloud Club - a popular, upscale social club back in the 1960's designed with a spiral staircase connecting two floors and surrounded by a window line offering beautiful, unobstructed views of the mountains. DL Engineering & Controls (DLEC) has now made this extraordinary space its home after signing a \$1.65 million, 7-year lease totaling 15,736 SF.

We recognized the value of this historical and unique space, and we were committed to investing the capital to create a truly spectacular office environment for our tenant, said Jeff Reder, vice president of asset management. We are honored to have the opportunity to serve the needs of a strong, locally-based growth company like DL Engineering. Our goal is to become the preferred landlord in the Phoenix market and this transaction puts us on the right path.

DL Engineering & Controls, an electrical engineering firm specializing in the water and wastewater industry, will be moving into Meridian Bank Tower -- a 275,000 SF, Class A office building located at 3550 N. Central Avenue in the central business district of downtown Phoenix, AZ, in July.

The landlord, Younan Properties, was represented by Todd Noel of Trammel Crow Company. The tenant, DL Engineering & Controls, was represented by Chris Krewson of CB Richard Ellis.

Besides offering this amazing space, Younan Properties exceeded our expectations by going above and beyond to satisfy all our needs. We believe Younan Properties understands our business goals, and what they are doing for us at the Meridian Bank Tower demonstrates their ability and commitment to support our growth well into the future, said Chris Lynch, vice president of operations for DL Engineering & Controls. Other buildings in the area offered similar amenities like the gym and barber shop; however the Meridian Bank Tower offers both a snack bar and Alexi's Grill which is fantastic for entertaining clients. Additionally, the area offers a host of other restaurants and business amenities within walking distance.

According to Zaya S. Younan, chairman & CEO of YPI, the Phoenix office market ranked #5 as the best performing market in the past two quarters and looking ahead,

this market will outperform most major U.S. metropolitan markets due to an increase in job growth, population and demographic density growth.