



Armada Hoffler Properties Enters Joint Venture Agreement to Develop and Own New Office Tower in Durham, North Carolina

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VIRGINIA BEACH, Va.--(BUSINESS WIRE)-- Armada Hoffler Properties, Inc. (NYSE: AHH) announced today that it has entered into a joint venture development agreement in which the Company will develop and own a new office tower within the One City Center mixed-use project located in the heart of Durham, North Carolina.

Situated at the corner of Corcoran and Main Streets in Downtown Durham, One City Center is a 27-story mixed-use project that will include 130,000 square feet of office space, anchored by a 55,000 square foot lease with Duke University, along with 22,000 square feet of street-level retail space, both of which will be developed and owned by Armada Hoffler Properties. The Company's joint venture partner, Austin Lawrence Partners, will simultaneously develop 139 residential units as well as a two-level underground parking garage.

As a minority partner, Armada Hoffler Properties will exit the joint venture and retain ownership of the office and retail components upon completion. Armada Hoffler Construction Company, a division of Armada Hoffler Properties, will serve as the general contractor for the entire \$86 million mixed-use project.

"For years there has been much excitement surrounding the renaissance of Durham's downtown area," commented Louis S. Haddad, Chief Executive Officer. "With Duke University as a driving force behind this new project, we are thrilled to be contributing to these efforts by putting both our development and construction expertise to work at One City Center."

The Company plans to break ground during the first quarter of 2016 with completion targeted by mid-2018. The Company's full-year 2016 guidance includes the initial impact from the general contracting fees earned from this joint venture investment.

About Armada Hoffler Properties, Inc.

Armada Hoffler Properties, Inc. is a full service real estate company with extensive experience developing, building, owning and managing high-quality, institutional-grade office, retail and multifamily properties in attractive markets throughout the Mid-Atlantic United States. The Company has elected to be taxed as a real estate investment trust (REIT) for U.S. federal income tax purposes.

Forward-Looking Statements

Certain matters within this press release are discussed using forward-looking language as specified in the Private Securities Litigation Reform Act of 1995, and, as such, may involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance to differ from those projected in the forward-looking statement. For a description of factors that may cause the Company's actual results or performance to differ from its forward-looking statements, please review the information under the heading "Risk Factors" included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014, and other documents filed by the Company with the Securities and Exchange Commission.



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