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**\$44 MILLION MORTGAGE****Foggy Bottom Project Gets Funds**

Mortgage financing of \$44 million for construction of the huge Watergate apartment, hotel and office project in Foggy Bottom has been provided by the John Hancock Mutual Life Insurance Co. Total cost of the project is estimated at \$60 million.

Legal arrangements were completed yesterday in New York. The mortgage is believed to be the largest ever provided for a privately financed real estate development in the Nation's Capital.

The Watergate project will occupy a 10-acre triangular site overlooking the Potomac River. It is bounded by Virginia avenue, New Hampshire avenue, F street and Rock Creek parkway, and was once a part of a tract owned by the Washington Gas Light Co.

The mortgage commitment is the largest in the history of the 100-year-old Boston insurance firm headed by Byron K. Elliott. Its investment interests in the Washington area reportedly exceed \$165 million.

A start on the huge project is scheduled for late next spring. Royce P. Ward, vice president of Watergate Realty Corp., of Washington, the owning firm, said today. The Washington firm is an affiliate of Societa Generale Immobiliare, 100-year-old Italian real estate investment firm.

Watergate Realty's president is Nicholas Salgo of New York,



This is an architect's rendition of the Watergate development to be constructed at the junction of Virginia avenue and Rock Creek parkway N.W.

who is United States representative of the Rome-based firm.

Plans for initial stages of the development are now being completed in Rome by Luigi Moretti, professor of architecture at the University of Rome.

Prof. Moretti is expected to visit Washington in January to present the plans to the Fine Arts Commission, which has given preliminary agreement to the project's overall concept.

The commission's agreement was made with the condition that some buildings be held to a height of less than 125 feet and that designs for elements of the development be submitted for individual approval.

The undertaking will include three apartment buildings having a total of 1,245 units, about 17 "villas," a 300,000-square-foot office building, a 212-room major hotel, and a

three-level underground structure for parking of 1,290 cars. This structure also will provide 45,000 square feet of shopping space and 15,000 square feet for specialty shops.

The curvilinear buildings will be in a parklike setting. They are being designed to appear to "float" above landscaped terraces, pools and fountains. Buildings will cover less than 32 per cent of the land area, the developers said.