

Office is next up at Village at Valley Forge

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It's a sparkling spring day and [Dennis Maloomian](#) is walking around the Village at Valley Forge assessing the development where multiple projects are underway and looking at sites that either haven't been spoken for or are being eyed for a proposed project.

"This is my best piece of land," Maloomian said pointing to a site fronting North Gulph Road. "It's at the front door of the project, at the new ramp to the expressway and has the highest visibility. It's going to be something very tall."

The property could accommodate a condominium building, a combination hotel-condominium complex or even an office building. A prime piece of real estate, it will be the last parcel Maloomian, master developer of the Village of Valley Forge along with joint venture partner, Northwestern Mutual, parts with.

At this stage in the development of the Village of Valley Forge, six parcels totaling about 30 acres remain available out of a total of 130. Over the last five or so years, Realen has been selling off sites to different developers who have pursued a variety of projects. More than \$60 million in land sales have so far been rung up, according to various sources including Montgomery County Property Records.

Among the sales are: \$12 million for eight acres that the Children's Hospital of Philadelphia bought; \$14.43 million for roughly 19 acres where the King of Prussia Town Center is under construction; and \$15.25 million for a three-acre site where Hanover Co. is constructing a 363-unit apartment complex. More sales are on the way. A site is under contract for an active adult community that will be developed by a joint venture between [Bozzuto Group](#) and Carlyle. It will have 240 residential units.

Of the remaining properties, almost all of them are in different levels of negotiations by interested parties though Maloomian declined to divulge additional details.

In an attempt to calculate where the market is these days, Maloomian is ready to start focusing on the office portion of this emerging mixed-use community. Through approvals, he can construct upwards of 1.5 million square feet of office space but he anticipates building about a million of that. One concept of he is working on involves two buildings totaling about 800,000 square feet though there is flexibility with that plan. Realen will work with a large office developer or corporate user on the office portion.

“The area on North Gulph near Creeds ... there’s been a lot of interest in those sites,” Maloomian said. “We’re already getting positive feedback. When I’ve taken them on a walk, they get it.”

It’s not difficult for Maloomian to make a case for new office construction in King of Prussia. Upper Merion is one of the largest employment centers in the region, there’s very little new, large blocks of Class A space available, and the Village at Valley Forge, with its eventual 2,000 to 2,500 residential units and roughly 500,000 square feet of retail space, is an ideal environment for an employer to attract and retain talent in a new headquarters or office building, he said.

Office development is one of the last pieces of the master plan to get executed and points to the progress being made at the once controversial property. Maloomian bought the land in 1996 and, after having fought multiple, extended legal battles over its zoning, finally won in court to move forward with its development. “I was too stupid to quit,” he said.

It has so far worked out and timing has had a lot to do with it. The legal setbacks meant a delay in the start of the project, which ended up running into the recession. Rather than move forward with any development, Maloomian and his partner invested in infrastructure to get the site ready for when the financial crisis was over and economy on the rebound.

“We’ve been very lucky. The market has appreciated our vision,” he said. “It will be good if we get the majority done in this cycle. I think we will.”