

King of Prussia Town Center hits 80 percent leased

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Four years after JBG Cos. began the process of building the King of Prussia Town Center, the 260,000-square-foot life style shopping destination is nearing completion.

Several retailers and restaurants are open with others soon to follow. A new 25,000-square-foot L.A. Fitness is busy with members running on treadmills and lifting weights. A pedestrian plaza where there is a fire pit and a water feature is open and soon it will be programmed with live music, seasonal farmer's market, and other events.

JBG's vision of creating a shopping destination in the Philadelphia region is finally coming together.

King of Prussia Town Center is now more than 80 percent leased, a point that exceeds the company's expectations. "For a typical retail project nearing the end of construction, to be 60 to 70 percent leased would be a success," said [Tom Sebastian](#), senior vice president of development at JBG.

The roughly 50,000 square feet that still needs to be filled is some of the best space the center has to offer since it's so close to the community's Main Street.

JBG plans to be picky about who will go into that space, Sebastian said. Generally JBG stays away from chains and will seek out tenants that will fit the mix of existing retailers. For example, it will look to include stores that offer fashion, home accessory and specialty food items. Four leases are out for signature and a dozen other leases are in various stages. Sebastian declined to say which retailers were involved in those pending deals.

The quick lease up didn't surprise Sebastian. King of Prussia Town Center has just about everything a developer and retailer wants. "This is A-plus retail real estate," he said. "In retail, having visibility and access is critical."

- ***Josh Innes fired from sports station***

The property is at the confluence of the Pennsylvania Turnpike, Route 202 and Route 422 and has more than 200,000 vehicles pass by the site every day. While that certainly contributes to retailers wanting to lease space at the property, the center also got a boost by having an existing Wegmans as an anchor that generates a lot of foot traffic.

"The leasing strategy was to assemble a compelling group of tenants that will provide high-quality dining and shopping opportunities in a town center that will be unique in the suburbs," Sebastian said. "If you think about the bigger picture of what is going on around this project, we wanted to assemble retailers that give people a lot of reasons to come to the King of Prussia Town Center."

Four other anchors were pulled in — L.A. Fitness, Nordstrom Rack, Ulta Beauty and REI. Two of those retailers, Nordstrom Rack and L.A. Fitness, are closing nearby locations to move to the town center. Sebastian isn't worried the Lifetime Fitness facility under construction less than a half mile away on Swedesford Road will threaten L.A. Fitness' business. The two are reaching different markets and at different price points, he said.

This is REI's second Philadelphia location and the store totals 34,000 square feet with 50 employees. Aside from carrying its typical camping, climbing, paddling, and ski equipment, REI will also hold classes for its outdoor school and have a bike repair shop on site.

"It's exciting to bring another location to a vibrant, outdoor community," said Jon Everett, general manager. "King of Prussia is a great region with an emerging outdoor community. We have 80,000 active members in the market right now and the town center is incredible location."

With a similar set of stores including Wegman's, L.A. Fitness, Ulta, Eastern Mountain Sports as well as a series of restaurants, it will be interesting to see what, if any, affect the King of Prussia Town Center will have on business at Collegeville Town Center less than 10 miles away on Route 422.

Glenn Marvin, a broker with Metro Commercial Real Estate, believes that there will be some overlap of visitors to both places. Marvin suggests it will happen mostly with those seeking out the new restaurants, rather than other retailers like Wegmans. Most people grocery shop within a narrow radius of their homes because of convenience and to protect perishables.

"Collegeville Town Center was built for that community and not as a regional center," he said.

- ***Remicade patent not valid***

King of Prussia Town Center is one part of the Village at Valley Forge, which is a larger master planned community overseen by Realen Properties of Berwyn, Pennsylvania. Children's Hospital of Philadelphia has a facility on site, office buildings are planned and 1,000 apartments and other residential units are underway. When JBG set out to build it, the real estate company did so with an eye toward creating it as a self-sustaining project even if those other developments didn't come along.

"If it was built in isolation, it would thrive by itself," Sebastian said. "What we have wanted to do from the outset is to build not only a retail center that does well but is a special place that will be unique in the Philadelphia suburbs and become stronger and stronger over time by encouraging development around it," Sebastian said. "I think we are seeing that vision take hold."

A list of signed tenants and their openings:

- Ulta Beauty opened July 8.
- Fogo de Chao, a Brazilian steakhouse, opened July 21.
- L.A. Fitness opened on August 4.
- B.good, a restaurant that serves healthy food, opened August 16.
- Davio's Northern Italian Steakhouse will open late August.
- REI will open August 26.
- Naf Naf Grill, a restaurant that serves Middle Eastern food, will open early September.
- Hair Cuttery will open early September.
- City Works, a beer bar and restaurant, is set to open in early September.
- Road Runner Sports is expected to open in late September.
- Paladar Latin Kitchen & Rum Bar will open late September.
- Nordstrom Rack is expected to open in early October.

- Honeygrow, a restaurant, will open late October.
- PNC Bank is scheduled to open in mid-October.
- Penn Liberty Bank will open early November.
- Starbucks will open in early November.
- Mission BBQ is set to open in March 2017.
- Founding Farmers, a farmer-owned restaurant concept, is scheduled to open in July 2017.