

## Hayden sells 150 S. Warner for \$28 million

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A real estate fund involving Hayden Real Estate Investments has sold 150 S. Warner Road in King of Prussia for \$28.2 million.

It turned out to be a good deal. MIM Hayden Fund I bought the four-story, 155,572-square-foot building, which used to be known as Walnut Hill Plaza, at an auction in 2012 for \$11 million.

When the Hayden fund bought it, the property was half vacant. About \$3.5 million was spent in upgrades and the building is now 98 percent leased to such tenants as BB&T, Unilife Medical and the Philadelphia Group.

The buyer in the most recent transaction was Spaulding and Slye Investments, a national investment firm based in Boston that is affiliated with JLL, which oversaw the sale of the building.

The sale price of roughly \$182 a square foot underscores what a hot real estate market King of Prussia continues to be.

Investors, many from out of state, have made buying commercial real estate in King of Prussia a objective. Since 2008, \$906 million has been spent snapping up office, retail, apartment and flex properties as well as raw but approved, developable land in the Upper Merion community, according to Montgomery County property records and its planning department. Last year was a standout when it came to transactions. In all, \$230 million in commercial real estate was closed on. So far this year, there has been more than \$100 million in commercial real estate sales in King of Prussia including the 150 S. Warner transaction.

One of the drivers of the investment activity is the development underway on the opposite side of the street from 150 Warner Road and that wasn't lost on [Tony Hayden Jr.](#) with the sale of 150 S. Warner. "The growth all around it really helped," he said.

The Village at Valley Forge off Upper Gulph Road is in the throes of construction with retail and multifamily projects in the works. A short distance away on Swedesford Road Life Time Fitness is building a facility while existing office buildings are undergoing redevelopment. Other pockets of development activity are also ongoing in King of Prussia, which is one of the largest employment centers in the region. Having been priced out of Radnor and Conshohocken, many office users are finding deals in King of Prussia and are attracted to a live-work-play environment created by the combination of the Swedesford Road office corridor and the residential and retail development being built nearby.

The timing was also good. Two years ago, 150 S. Warner was put up for sale only to be quietly taken off the market. It was put back up for sale in March. That was around the same time its neighbor, Oak Hill Plaza, was put up for auction, a four-story, 165,652-square-foot building bought by Cohen Equities for \$16.3 million.

