

# After \$183M buy, new King of Prussia Town Center owner to focus on vacancies

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Natalie Kostelni

With a \$183 million, or \$700 a square-foot, sale of the King of Prussia Town Center completed, the new owner of the property turns its attention to leasing up the remaining space at the retail property.

Though not a tremendous amount needs to be leased — the 263,423-square-foot center is 87 percent occupied — special attention is being given to how to approach that limited amount of space that remains empty. It's not as if the landlord wants just any tenant. It's being selective to complement what is already there.

“Interest level is very high,” said [Jeff Felder](#), senior director of CBRE Global Investors. “That gave us a lot of comfort in the ability to fill that vacant space going forward.” A fund affiliated with CBRE Global Investors bought the property as a long-term hold.

Of the roughly 34,000 square feet that remain vacant, a significant portion is concentrated in a 12,000-square-foot building that was deliberately left unleased by JGB Cos., the center's original developer and the seller in the recent transaction. The building is considered a prime retail location. It faces the parking lot where a Wegmans is located and sits along the center's Main Street next to an Xfinity store.

“That's a building where we will have no problem filling,” Felder said. “We have been putting a lot of time into that 12,000-square-foot building. We want to be careful and thoughtful about how we program it.”

Options include leasing it to a single tenant or multiple tenants and that can pose its own set of dilemmas. Any tenant should complement the restaurants and other nearby stores and enhance the experience of people who come to the center to shop or dine. Service-oriented tenants might add that Main Street feel which the center is trying to evoke, Felder said. For now, the analysis continues to seek the right tenant and the right mix.

Though Felder declined to disclose what sort of rents the center is getting, it is estimated that tenants are paying about \$40 a square foot. Some of the other retailers and restaurants located in the King of Prussia Town Center include Nordstrom Rack, REI, Ulta and Davio's Northern Italian Steakhouse, City Works, L.A. Fitness and several fast-casual restaurants.

Aside from leasing up the remaining space, the new owner plans to “capitalize” on what is already there such as bringing more programming to the open areas as it gets ready for the opening of Founding Fathers, a popular Washington, D.C., eatery that will be housed in 14,000 square feet. “The project only delivered a year ago,” Felder said. “It is just now coming to life and I think it just gets better this year.”

Located at 155 Village Drive in King of Prussia, King of Prussia Town Center is the retail component of the Village at Valley Forge, a 122-acre master planned, mixed-use development that will eventually have between 2,000 and 2,500 residential units. The project also includes a 125,000-square-foot building that the Children's Hospital of Philadelphia developed and occupies. Office development is one of the last pieces of

the master plan to get executed and, through approvals, upwards of 1.5 million square feet of office space could be built.