

Local buyer snaps up Blue Bell office building for \$3.3M

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A partnership involving Kairos Real Estate Partners of King of Prussia paid \$3.3 million for 518 Township Line Road in Blue Bell, Pennsylvania

Kairos, along with Artemis Real Estate Partners of Bethesda, Maryland, bought the 124,000-square-foot office building from CW Capital Asset Management, a special servicer that had control of the property after its previous owner, a partnership consisting of Bressler & Reiner Inc. of Maryland, lost it years ago to its lender.



This office building at 518 Township Line Road in Blue Bell has just two tenants.

Once fully occupied by Merck & Co., the 124,000-square-foot building is now just 27 percent occupied and a victim of the peak of the market. It, along with several other properties, were part of a portfolio of suburban office buildings Bressler & Reiner bought at the top of the real estate market that were eventually taken back by the lender when loan terms couldn't be renegotiated or vacancies filled up with new tenants.

The building now has just two tenants: Skanska USA and Blue Bell Surgery Center, which is affiliated with the Phoenixville Hospital.

Built in 2001, the new buyer plans to invest \$3 million to renovate the building and put in a cafe, fitness center and a conference room that is shared by tenants.

Correction: An earlier version of the story had that the building was constructed in 1991. It was 2001.

Natalie Kostelni covers real estate and economic development.