

\$3.5 Million McVay Station Begins

By Sarah Baker

Three Class A speculative office buildings have broken ground in Germantown at McVay Road and Poplar Pike.

The \$3.5 million development, named McVay Station Professional Center, is by [Jason Speed](#), local developer and contractor whose claim to fame was Corporate Gardens, a \$24 million, 148,000-square-foot retail and office park delivered in 2001 on 14 acres at Forest Hill Irene Road and Poplar Pike.

Speed has teamed up with his father, [Charles Speed](#), under the entity [McVay Development LLC](#), for the project, which is slated for occupancy by June. They've owned the property since 2005 and were preparing to break ground at the end of 2007, but Jason Speed said the economy gave "indications that it wasn't the right time."

"We've gone through a downturn in the office market and I think now is the time," Speed said. "I believe next summer is going to be a good opportunity to bring this type of product to the office community of Germantown."

The three residential-style, single-story buildings at 7475, 7460 and 7455 McVay Station Court measure 6,815 square feet, 4,238 square feet and 6,146 square feet, respectively. They are divisible, and are being marketed for medical or professional office use.

"McVay Station will deliver a professional office environment to tenants that need to service their clientele in Germantown, Collierville, Cordova, East Memphis," Speed said. "From attorneys to doctors or dentists or CPAs - anyone that is going to need to provide a professional and safe place for their employees and clients."

Asking rental rates of McVay Station are \$26 per foot modified gross, compared to the average Class A office rate in the East submarket of \$24.24, according to CB Richard Ellis Memphis' third quarter MarketView report.

Speed acknowledges the risk of speculative office construction amid the current commercial real estate climate, but he's confident his product will draw tenants with specific requirements.

"In most of the Class A space available, you have to park in either a parking garage or across the parking lot, walk through the lobby to an elevator, and you're going to go up a few flights," Speed said. "McVay Station gives people a little different atmosphere. They're going to pull up to the front door and be able to walk right into the office they're going to visit."



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(Rendering Courtesy of Dalhoff Thomas design | studio)

Eric Fuhrman, president of Crye-Leike Commercial, is co-listing the development's leasing, along with [Dan Whipple](#). Fuhrman said seeing construction crews on a commercial site is refreshing and hopefully a sign of good things to come.

"Anytime I see a bulldozer out there these days, it's exciting and interesting to us," Fuhrman said. "It's I think demonstrating some confidence that (Speed) has in the Germantown market."

It's an optimism Speed has developed based on his success with past projects. He said his other office and retail holdings are currently 100 percent leased.

"Starting a new office development in today's market might be a little bit of a gamble, but we've always done really well with what we've delivered to the end user," Speed said. "The way that I view my properties is that there is a partnership between the tenant and myself. I want to give them an office environment to help them be successful."

Allen & Hoshall is the civil engineer for McVay Station. Dalhoff [Thomas Design](#) provides landscaping, and the architect for the design of buildings is Arthur Nave.