

Germantown Village Square changes hands

Tom Bailey, USA TODAY NETWORK – Tennessee 12:22 p.m. CT April 24, 2017



(Photo: Tom Bailey)

A local owner has sold Germantown Village Square in Germantown for \$29.3 million to a Florida-based private equity firm.

The Midsouth Capital Fund I, which was formed six years ago by Boyle Investment Company to invest in Mid-South real estate, sold the 200,000-square-foot retail and office center to PEBB Enterprises of Boca Raton.

"We did well by it," said Mark Halperin, Boyle's executive vice president and chief operating officer. "It's been a great piece of property" located in the heart of Germantown on Poplar. The property is near the northeast corner of Poplar and Germantown Road in the affluent Memphis suburb.

Boyle will continue to manage and handle leasing for the two-level, mixed-use center.

Germantown Village Square was developed in 1973 as a mall, but was altered in 1985 to be less of an enclosed shopping mall.

The bigger office and retail tenants there include The West Clinic, TJ Maxx, Pier One, Office Max, Petco, Designer Shoe Warehouse (DSW), Crye-Leike and McAlister's.

Office Max is closed, but remains on the lease as PEBB pursues a replacement tenant.

The center includes about 140,000 square feet of retail and 60,000 square feet of office space. The retail areas are 100 percent leased, and the office spaces are 90 percent leased, Halperin said.

Village Square was the first acquisition for Boyle's investment fund. Boyle has developed Ridgeway Center, Humphreys Center, and Schilling Farms in the Memphis area and Meridian Cool Springs, Berry Farms, and Capitol View in the Nashville region.

In 2001, Boyle established Boyle Nashville LLC, which develops and acquires real estate in Middle Tennessee.

Both Halperin and retail real estate broker Danny Buring of The Shopping Center Group said the sale is a strong sign for Memphis retail.

"I just think it's positive for our community when people want to invest in it," Halperin said. "The new investors were very, very diligent in their investigation of the community, investigation of that location. They feel good about Memphis to invest over \$29 million in our community."

Buring pointed out that Boyle Investment Company and a partner also sold the 360,000-square-foot Shops of Forest Hill in Germantown to an Austin, Texas, investment group late last year.

"These aren't REITs (real estate investment trusts) but these are big private investment groups," Buring said. "For them to be showing Memphis attention is pretty significant for us."

Such sales show that "it's still a great sellers' market, for the right assets," Buring said.

Boyle was represented in the Village Square sale by Johnny Lamberson, Terry Radford, Chris Cozby, and Chris Gerard of CBRE.

Read or Share this story: <http://memne.ws/2pWYtwR>