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Maximus chooses Mendenhall office complex

Company will service county child support program for five years

Memphis Business Journal - by [Andy Ashby](#)

After winning a five-year, \$49 million **Tennessee Department of Human Services** contract to run Shelby County's child support program, **Maximus, Inc.**, has found an office home in Southeast Memphis.

The Virginia-based management company signed a five-year lease for the 28,880-square-foot East Pointe Building H East, located at 3915 Mendenhall Road, and plans to move in by July.

Juvenile Court of Memphis and Shelby County handled child support services previously, with offices at 616 Adams and on three floors at the **Lipscomb & Pitts** Building at 2670 Union Ext.

"One of our requirements is that all of our staff would need to share one space," says David Sanchez, project director with Maximus. "We needed that because from a team-building perspective and work-flow perspective, it just made good business sense."

Maximus looked at 10-12 properties around the city, but it chose East Pointe because it had a competitive price and because it's close to public transportation, according to Sanchez.

The company's peak staffing will be almost 200 people, with a large percentage of those employees coming from the child support program's current operations.

Commercial Advisors LLC president Larry Jensen and associate broker Matt Weathersby represented Maximus locally, along with **FirstService Williams** senior managing director Steve Jaray and vice chairman Brian Given.

Commercial Alliance Management LLC senior vice president Mark Jenkins, broker Phil Dagastino Jr. and leasing associate Conner Walker represented the Atlanta-based landlord, the **Simpson Organization, Inc.**, in lease negotiations.

East Pointe Business Center is a seven-building, 287,482-square-foot office park at Mendenhall and Raines.

"With that product type and the area it's located, we've had a lot of office activity," Walker says. "You can get a full-service rate for \$12.50 (per square foot) there, which compares favorably to a lot of other submarkets."

The overall Memphis office market, which consists of 20 million square feet, has an asking rent averaging \$18.58 per square foot, according to the 2008 year-end Commercial Advisors' market report.

Commercial Alliance Management handles the management at East Pointe, which includes 24-hour security.

It also helps that the landlord is aggressive, offering free rent and favorable tenant improvement dollars, Walker says.

With the Maximus lease, the East Pointe Business Center is now 58% leased.

"That's a big hit for that office park," Walker says.

B&B Specialty Contractors, Inc., is handling the office build out, while Commercial Alliance Management executive vice president Dan Wahl is the construction manager.

The space is being configured to handle a lot of walk-in traffic and for the work to flow throughout the departments and building, Sanchez says.

Office leasing activity as a result of business growth is still pretty flat right now, according to Jenkins of Commercial Alliance.

"I think you'll see a pick-up in office leasing when we see some job growth," he says. "Also, I think people are being really conservative right now and there's probably a fair amount of pent-up demand. We're making do with what we've got right now, but at some point, when we feel better about the economy, we're probably going to have to add some growth room for people."

Maximus, Inc.

Health and human services management
HQ: Reston, Va.



ALAN HOWELL | MBJ
David Sanchez of Maximus, Inc., at the company's Memphis office on Mendenhall
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