

PM Partners develops \$12 million Preston Pointe

Mixed-use Main Street building to have offices, four condominiums

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A rather unusual-looking building is taking shape against the downtown Louisville skyline — a building distinguished by its sloping roof that comes to a point 172 feet above the ground.

Appropriately enough, Preston Pointe is the name of the \$12 million, seven-story structure under construction at the southeast corner of Preston and Main streets, just west of Louisville Slugger Field.

The 90,000-square-foot building, which will have space for offices and four condominiums, is being developed by an investment group called [PM Partners LLC](#).

The group includes Henry Potter, a partner in Potter & Cox Architects Inc., and its subsidiary, Potter & Cox Realty LLC; Phil Scherer, president of the commercial real estate firm Grubb & Ellis/Commercial Kentucky Inc.; Dale Boden, president of B.F. Capital Inc.; Bill Meyer of Luckett Tobaccos; and Todd Blue and Jonathan Blue, partners in Cobalt Ventures LLC.

Project to be completed around June 1

Work began on the building in late May, and it is scheduled for completion around June 1, according to Potter, who also is president of PM Partners. Bosse & Mattingly Constructors is the general contractor.

The project is being financed through a conventional loan from National City Bank, Potter said.

The building will have five floors dedicated to office use, with about 16,000 square feet per floor, said Scherer, whose firm is serving as leasing agent for the property.

But retail or restaurant use is not being ruled out for the first floor, according to the partners.

Leasing efforts have not begun in earnest, Scherer said, although he, Potter, Boden and Meyer all have agreed to move their firms to the building, taking about 30 percent of the available office space.

"We are just in the initial stages of our marketing program," Scherer said.

"Frankly, I'm not real excited about marketing a property prematurely, given the current state of the office market downtown. The vacancies are relatively high, and there's very little activity."

Scherer predicted that leasing activity in the central business district will "moderate" by the third quarter of 2003, when "we ought to begin to see some strengthening in the market dynamics."

"I think as the building begins to take shape that interest will firm, and we'll probably be looking at good activity this time next year," he said.

Scherer said leasing rates have not yet been established for the property but that it would be priced "competitively" with other Class A office buildings in the downtown area.

Investor plans to move to downtown condo

Potter said Preston Pointe's four condos, which range in size from 2,000 to 2,600 square feet, all have been sold to partners in the venture. He declined to disclose the sale prices. Scherer said he and his wife plan to move to the new building from Crescent Hill, where they've lived in the same house for 31 years.

"It's a big decision for me to leave something that's the only place that my family has ever called home," Scherer said. "But we've been interested in living downtown for a number of years."

Preston Pointe will have a number of amenities, including a one-level, underground parking facility capable of accommodating 70 cars, according to Potter.

All floors except the first will have an 1,800-square-foot terrace, he said. The partners also are considering creating a videoteleconferencing center.

"It's coming along very quickly," Potter said of the project.

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