

Lipscomb tower sold to In-Rel

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by [John Scruggs](#)

In-Rel has increased its office portfolio in Memphis with the purchase of the Lipscomb & Pitts building at 2670 Union Extended.

In-Rel purchased the 130,000-square-foot building from **Junior Realty LP**, a holding company for **Loeb Properties**, for \$5.9 million.

Frazier Baker, leasing associate with In-Rel, says the deal, which closed June 13, has been in the works for some time. Loeb Properties bought the building in 1996 for \$2.24 million and held it as an investment.

Bob Loeb, chairman and CEO of Loeb Properties, says the company is trying to focus on its retail properties and after an evaluation of the portfolio, the Lipscomb & Pitts building was in limbo.

"We had one-third that we wanted to get rid of, one-third we wanted to keep and one-third we were indifferent about," Loeb says. "The building fell into that middle category."

He says In-Rel was the first company he contacted about the building.

Ron Riley, In-Rel managing director, says the Lipscomb & Pitts building complements its existing portfolio.

"Outside of Florida, Memphis is our core market," he says. "And anything we can find in our backyard that fits our model, we want to buy it."

The building purchase brings In-Rel's Memphis office portfolio to 1.2 million square feet.

"They already have a good presence in East Memphis and now they have a premier property in Midtown which is a quality asset with quality tenants," Loeb says.

Lipscomb & Pitts Insurance is the major tenant, and the building is currently 83% leased.

Enhancements to the property will be minimal and aesthetic in nature, according to In-Rel.

Loeb has done a wonderful job maintaining the building," Riley says. "It's one of those rare instances where you can come in and you don't have to spend a ton of money on the space."

In addition to the recent Midtown building purchase, In-Rel owns Clark Tower, Poplar Towers and Lynnfield Office Park in the Memphis market.

Riley says the call from Loeb about the property made sense for In-Rel. "He understands what In-Rel is and what we buy and he thought the building would be a good fit for us."

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