

# New tenants flocking to Clark Tower, which has seen occupancy rise to 84% in 2006

Memphis Business Journal - September 29, 2006  
by [John Scruggs](#)

Clark Tower has seen 98,000 square feet of absorption to date in 2006 and the 33-year old East Memphis tower expects more leasing activity before the year's end.

Ron Riley, asset manager for **In-Rel Management**'s properties outside of Florida, says with three months left in the year, there should be at least 110,000 square feet of absorption in Clark Tower by the end of 2006.

Frazier Baker, senior marketing representative for In-Rel, expects to close on at least 20,000 square feet of office deals in the building before the end of 2006.

"Clark Tower is up to around 84% occupancy," Baker says. "That's up from 64% over a year ago."

Gate Gourmet, **Nationwide Insurance** and Nahon, Saharovich & Trotz left Clark Tower in 2005, leaving sizable holes in the building.

In 2006 to date, Clark Tower has gained a 45,000-square-foot **Trammell Crow** lease; 10,000-square-foot leases by MC2 and Ivy Frazee Davis; 6,000-square-foot leases for **Challenger Corp.** and Strategic Resource Management; and 4,500-square-foot office deals for Douglas & Greer and USI Alliance. In-Rel's premier Memphis property continues to attract tenants with key amenities.

"We've always talked about how nothing is going to change the fact that this is an older 'B' building," Baker says. "But what prospective tenants are starting to see and what brokers are starting to sell is office space at Class B prices with 'A' amenities that you might or might not have in Class A buildings."

Following In-Rel Management's \$40.1 million purchase of Clark Tower in 2003, the Florida-based real estate company spent approximately \$2 million renovating the property and adding amenities.

Free covered on-site parking, an on-site restaurant, flat screen televisions in all 12 elevators and a touch screen tenant directory are some of the selling points for Clark Tower.

"I think the absorption has been a combination of market conditions and the building's amenities," Riley says.

The Tower Room has proven to be effective leverage for prospective clients, he says, adding that the renovated restaurant in the Summit Club's former space has been well received.

"Tenants use the restaurant for lunch and they use it to entertain," he says. "It's made a great addition to the property."

Will Barden of **Barden Commercial** Realty has been successful placing a number of clients in Clark Tower.

"I've been able to present the property and its amenities and compare it point by point to other properties up and down Poplar Avenue," Barden says. "You can achieve a Class A experience in this building and we've done it with Thompson & Dunavant and MC2."

The remainder of In-Rel's Memphis properties are tightening up. The company just renewed **First Tennessee Bank**'s 130,000-square-foot lease for 10 years in Lynnfield Office Park, which is 87% occupied. Poplar Tower is 94% full and the Lipscomb Pitts building is at 85% occupancy, Riley says.

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