

Tower momentum

Landmark office building enjoying significant absorption in '07

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by [John Scruggs](#)

Clark Tower has managed 50,000 square feet of absorption in new leasing and expansions so far this year as **In-Rel Management** continues to position the property for competition in the East submarket.

Concorde College has expanded its lease by 11,000 square feet and **CB Richard Ellis Group's** corporate accounting operation has added 11,000 square feet to its offices in the East Memphis building.

Accounting firm **Thompson & Dunavant** has expanded its space by 2,200 square feet and now has a total just shy of 30,000 square feet in the tower.

Three months of lease expansions and new leasing have current occupancy up to 87%, according Frazier Baker, director of leasing for In-Rel Management.

In-Rel bought Clark Tower for \$40.1 million in 2003 and spent about \$2 million in renovations and additions to the 33-year-old property.

Baker attributes recent leasing activity in Clark to the building owner's commitment to stay competitive even as the East submarket tightens up and other owners are pushing to raise rates.

"It's important for us to remain competitive," Baker says. "Especially because we don't want to miss out on some prospective tenants who are price sensitive."

Clark Tower is currently leasing in the \$18-\$18.50 per square foot range.

Good Advertising, formerly a White Station Tower tenant, has signed a 6,000-square-foot lease in nearby Clark Tower and **Neurorecovery**, a Memphis-based biopharmaceutical company, is leaving Crescent Center and moving west on Poplar into 4,000 square feet in Clark Tower.

Both Good Advertising and Neurorecovery were represented by Michael Morgan, marketing specialist with CB Richard Ellis Memphis.

Will Barden, principal of **Barden Commercial** Realty, says his clients continue to realize that the building is in a landmark location that their customers and clients already know.

"If you live inside the loop, it makes for a very convenient commute," Barden says. "Because of its age, it's at a price point well below some of the newer buildings out East, but despite that you can still achieve a Class A environment in the building."

New amenities at Clark Tower will likely continue to strengthen its appeal with shrinking vacancies and rising rents elsewhere in the East office submarket.

Clark Tower nabbed Foozi, John Crimmins' restaurant and catering operation, from White Station Tower, and In-Rel is building out a 4,000-square-foot fitness center, Forever Fit, that also operates gyms in both Crescent Center and Lenox Park.

The gym is something that had been promised to long-time tenants by other owners, Baker says.

"Our owners realized this was the only amenity we didn't have that true Class A properties were marketing," he says. "From a new leasing standpoint it's a big driver, and I think it's also going to help in terms of tenant retention here."

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