



## R E L A T E D   N E W S   A R T I C L E

### TUBE-TEX SELLS BUILDING IN LINWOOD TO LEASE BACK

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By Lloyd Whittington, The Business Journal

Lexington – An investment group from eastern North Carolina has purchased the Tubular Textile headquarters building in Linwood, while a Triad developer has invested in an apartment complex in the east.

Tubular Textile Machinery Enterprises, known as Tube-Tex, recently sold its 127,350-square-foot plant and headquarters off Interstate 85 to Smithfield-based Blackstep LLC for \$3.1 million. Tubular Textile will lease the facility back for 12 years and continue to operate as normal, said Tom Townes and Hap Royster, managing partners at Triad Commercial Properties who represented the seller.

Jim Etling, vice president of finance and administration for Tube-Tex, could not be reached for comment. The company employs more than 150 people in the Triad and 260 people worldwide and has been on a buying binge of late, acquiring five enterprises in the past year.

Tube-Tex had been leasing the facilities from U.S. Industries, which sold the Tube-Tex business – but not real estate – last year to the Harbour Group of St. Louis. Tube-Tex recently acquired the facilities and immediately sold it to Blackstep, the highest of eight bidders on the property.

“It provided them with off-balance-sheet financing, a more competitive lease rate and a more flexible landlord,” Townes said.

William Carroll Stephenson, the representative and a partner in Blackstep, could not be reached for comment. Blackstep was represented by Sam Simpson of Simpson and Schulman Commercial Real Estate.

Royster said the investment in the Triad by Blackstep was based on the opportunity rather than a concerted focus in this market. Blackstep was seeking an investment to complete what is referred to as a 1031 exchange.

Under such exchanges, an investor can roll money from the sale of real estate into the purchase of another property in order to defer capital gains taxes.

In a separate income property sale brokered by Triad Commercial Properties, Cameron Properties of the Triad acquired the 120-unit Pinebrook Apartments in Greenville for \$2.5 million. According to the Secretary of State’s Office, Clarence Lambe Jr. of Kernersville is the principle behind Cameron Properties.

The Tube-Tex and Pinebrook deals complete what has been a busy six months for Triad Commercial Properties. Those sales, combined with Highwoods Properties’ recent sale of \$14 million of office/warehouse space to Florida investors, total nearly \$20 million of income properties that Triad Commercial Properties has brokered this year.

The company also handled last year’s sale of the Lucent campus in eastern Guilford County to Florida Realty Investments and the recent lease of that facility to Carolina Biological Supply. In another high profile property, the company brokered the lease of 325,000 square feet of the former Stroh Brewery for an expansion of Kay Chemical.

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