

News Clips Report

Stirling acquires Pan Am Center Times-Picayune - Online

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It's part of trend: Locals buying local

The Pan American Life Center has been returned to local ownership after a New Orleans area investor group led by Stirling Properties acquired it from San Diego-based Equastone LLC for \$60.9 million.

Marty Mayer, president and chief executive of Covington-based Stirling Properties, declined to name the investors. Stirling is the lead investor, assembled the group and will manage the 28-story tower.

"It's a big group of owners that are all local business people," said Mayer, who served as chairman of Greater New Orleans Inc. last year.

Equastone bought the building in 2006 from Pan American Life Insurance Co., the tower's namesake. At the time, Pan American had reduced its presence in the building from 210,000 square feet to about 73,000 square feet. Pan American remains in the building and has not reduced its footprint since then.

The Pan American Life building, located at 601 Poydras St. between St. Charles and Camp streets, is the latest prominent downtown building to be returned to local ownership in recent years.

In October, a local investor group called Kingfish Development LLC bought Chevron Corp.'s former headquarters, a 21-story building on Gravier Street, for \$6 million.

In October 2009, Windsor Court Partners LLC, an investor group led by the Berger Cos., purchased the 324-room luxury hotel from Orient-Express Hotels Ltd. for an undisclosed sum.

In September 2009, Zelia LLC, the family of Saints owner Tom Benson, bought the 26-story high-rise formerly known as Dominion Tower for \$42.1 million from the California real estate investment firm Hertz Investment Group.

Hidden opportunities

Mayer said the fact that the Pan American Life building and major properties were sold to locals rather than institutional investors with national holdings reflects the idea that either New Orleans isn't on the national radar screen as a potential investment site, or that investors still have negative perceptions of the place after Hurricane Katrina.